

AN ECONOMIC REPORT TO THE GOVERNOR OF THE STATE OF TENNESSEE

On The State's Economic Outlook



February 1991

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TO THE GOVERNOR
OF THE STATE OF TENNESSEE
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Prepared by the
**Center for Business and Economic Research
College of Business Administration
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FOREWORD

This volume, sixteenth in a series of annual reports entitled *An Economic Report to the Governor of the State of Tennessee*, has been compiled in response to requests by state government officials for assistance in achieving greater interdepartmental consistency in planning and budgeting efforts sensitive to the overall economic environment. Provided in the 1991 report are both short-term or business cycle-sensitive forecasts and longer-term or trend forecasts.

The quarterly state forecast through the fourth quarter of 1992 and annual forecasts through 1999 represent the collective judgement of the staff of the Center for Business and Economic Research, College of Business Administration, at The University of Tennessee, Knoxville, in conjunction with the Quarterly and Annual Tennessee Econometric Models. The national forecasts were prepared by the WEFA Group in Bala Cynwyd, Pennsylvania. The quarterly U.S. forecast was released in November 1990 and the annual U.S. forecast is current as of November 1990. Tennessee forecasts, current as of November 1990 are based on an array of assumptions, particularly at the national level, which are described in Chapter 1. Chapter 2 provides detailed evaluations for each major sector of the Tennessee economy, and Chapter 3 presents the long-run forecast and outlook for the state. Chapter 4 provides an investigation of the characteristics of Tennessee's rural and urban areas. Factors examined are demographic characteristics, an analysis of economic indicators, and social indicators. Forecast and historical data used in the text are contained in Appendices 1 and 2.

The primary purpose of this annual volume--published, distributed, and financed through the Tennessee State Planning Office--is to provide wide public dissemination of the most current possible economic analysis to planners and decision-makers in the public and private sectors.

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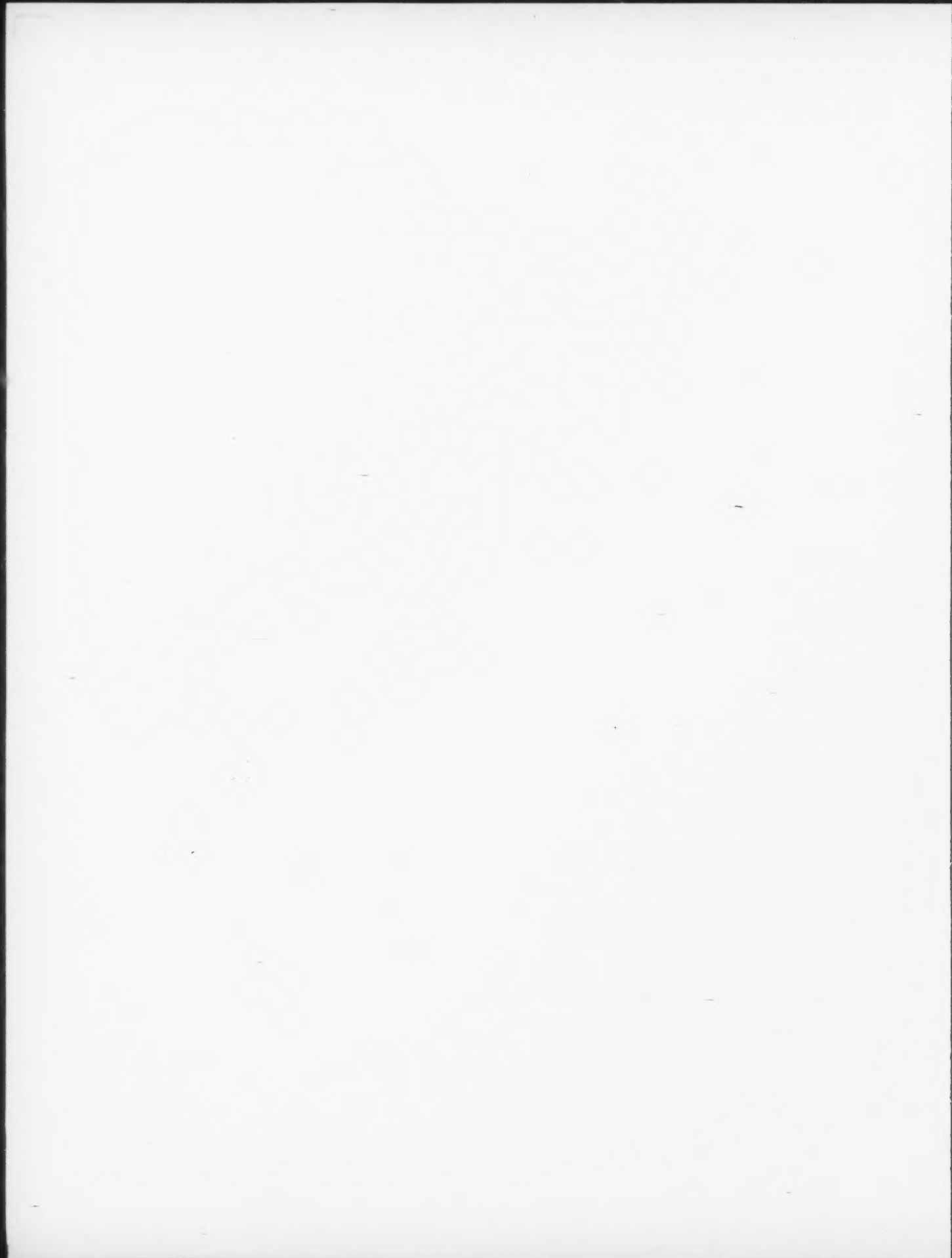
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EXECUTIVE SUMMARY

From the 1982 recession until 1990, the course of the U.S. economy had been relatively uneventful, with eight years of variable but continuous growth. Now, however, a recession, accompanied by the Persian Gulf crisis and a new budget plan, has left the U.S. economy in a state of considerable uncertainty, and weighs heavily on the outlook for the Tennessee economy as well.

The war in the Mideast is likely to be a primary determinant of the nation's economic performance during 1991. The forecast illustrated in the appendices and described in the text of this *Economic Report to the Governor* was developed prior to the outbreak of war and evidences the economic environment which would have occurred had war been postponed or prevented. This section is intended to describe how the economic scenario is affected by alternative outcomes of the war. Unfortunately, it is very difficult to predict the precise consequences in the absence of very good information on the war's duration and severity. This information will be known to us only as events unfold, meaning we must forecast its effects on the economy by considering alternative "what-if" scenarios regarding how the economy might respond to different war scenarios. The war probably has no long-term implications for the Tennessee economy, so the sections describing economic activity over long-time periods (as in chapter 3) are unaffected. However, its implications for the economy in 1991 are much more profound. The effects of different possible war scenarios are so great, in fact, that a forecast based on a particular war scenario is likely to be considerably in error, so the approach must necessarily be to describe how the forecast already presented here will change in response to different war scenarios.

The economy has been influenced in several ways since Iraq's invasion of Kuwait. The net effects have caused lower demand for goods and services and limit the economy's ability to produce, thereby worsening the recession. Offsetting these effects is the stimulus of increased government spending (though this has been limited to date). Tennessee does not benefit substantially from military spending, so the net effect on the state is probably a worsening of the recession, depending on the duration of the war. There are three main contractionary effects of the war. First, consumer confidence, a major determinant of consumer spending, has plummeted. Second, oil prices have spiked upwards, absorbing a bigger percentage of income and causing higher inflation rates. Finally, a considerable number of reservists have been called to active duty and this has taken their productive capacity away from the private economy. Further, while on active duty, these reservists often have lower income than their private-sector income, which causes lower demand for goods and services.

A Short War Scenario

A short, victorious war, perhaps one lasting less than one month, is expected to improve the 1991 economic picture relative to that painted in chapters 1 and 2. The major reason is that consumer confidence will be substantially improved because of patriotic feelings and because service men and women will return home from the Middle East. Stronger consumer confidence means increased spending, particularly for consumer durables like automobiles and refrigerators. A short war will also lead to lower oil prices, giving people more money to spend for commodities other than oil. (Each penny decline in the price of oil saves Tennesseans about \$25 million.) In addition, lower oil prices translate into less inflation, and this can allow further interest rate declines. However, most of the oil price fall occurred in the weeks just before or just after the war's beginning, so substantial further declines are not likely.

The short war scenario means the recession will be briefer, and will end before summer. Nonetheless, 1991's economic growth will be modest, since the basic causes of relatively weak growth remain in place. Growth rates should be low compared with most post-recession bursts.

An Extended War Scenario

If the war extends beyond the short time discussed above (perhaps beyond three months), it will be increasingly negative for the economy relative to what is anticipated in the forecast. Consumer confidence will come back more slowly than expected, and the productive energies and spending of soldiers in the Middle East will be lost for a longer time. Large government spending to finance the war will increase the deficit (though the war is technically being financed off budget) and place greater upward pressure on interest rates. These factors will lead to lower demand for goods and services and will result in a weaker economy.

If hostilities continue for considerably longer (perhaps beyond eight months) it is likely that replacement of military supplies will be required, and this additional source of demand will be an economic stimulus. At this point the economic effects may once again swing to the positive side because of the need to produce war goods. Naturally this will mean a shift in the economy's character as more war-related goods and fewer consumption goods are produced. Also, higher inflation and higher interest rates may result.

A major interruption in oil supplies from the Middle East would complicate the scenario even more and would substantially worsen the economic environment. Likely implications include a substantial reduction in the economy's ability to produce because of oil shortages. Considerably higher oil prices would absorb some of people's buying power and

reduce the demand for other goods. Inflation and interest rates will probably be much higher, and this will further inhibit demand. Taking oil from the strategic reserves would lessen the shortages and impacts, but with a major supply interruption the price of oil would rise dramatically even if the reserves are used.

Both the medium- and long-term war scenarios are likely to be more negative for Tennessee than for the average state. One reason is Tennessee's concentration in production of consumer goods, which causes the state to be adversely affected by recessions. Further, A large share of soldiers in the Middle East have come from Tennessee. Finally, the state is not a large producer of war materials, so we will see less stimulus from large demand for military equipment and supplies.

Events Leading to the Recession

After a healthy growth rate of 4.5 percent in 1988, economic growth fell, but remained a respectable 2.5 percent in 1989. During 1990, even without the events in the Middle East, the national economic condition slipped closer to recession. After first quarter growth of 1.7 percent, the first serious signs of a possible recession emerged in the second quarter when GNP growth was a barely positive 0.4 percent. A modest improvement occurred in the third quarter of 1990, but a decline in GNP occurred for the fourth quarter of 1990. The first evidence pointing toward a recession was the decline in the leading and coincident economic indicators. Several other economic statistics also suggested that a recession was imminent: for instance, considerable weakness in labor markets, with more than 700,000 jobs lost in the U.S. Also, during 1990, consumer spending was anemic with one exception (June), and monthly growth in real consumer expenditures was, as often as not, negative during 1990. Moreover, after the Iraqi invasion of Kuwait, consumer confidence fell considerably. In addition to the concern about war, there was the prospect of higher inflation and higher taxes as well as evidence that national economic growth was deteriorating when some other industrial economies entered a slowdown.

Most economic analysts felt that the U.S. economy was already anemic prior to the invasion of Kuwait by Iraq, though certainly the invasion and the buildup of U.S. forces in Saudi Arabia worsened the situation. Perhaps most important, the crisis created a high level of economic uncertainty that was difficult for an already lethargic economy to absorb. At the heart of these uncertainties remains the matter of oil prices and their relationship to our economic growth and inflation.

Historically, oil price shocks have been associated with subsequent hard economic times. It did not *necessarily* follow from these historical linkages that a recession should occur after the most recent run-up in price. How-

ever, both businesses and households are affected by increasing energy prices. These *microeconomic* effects are translated into *macroeconomic* effects because reduced spending by consumers reduces aggregate economic demand. This softening of the economy leads firms to reduce employment levels, creating further declines in the purchasing power of consumers. Moreover, because energy price increases are primarily driven by reductions in the supply of an important input, upward pressure is created on inflation as firms attempt to pass along energy price increases to consumers.

Recent actions by the Federal Reserve Board evidenced their concern that the present economic condition had intensified. In an attempt to ease the availability of credit, the Federal Reserve moved to lower its key interest rate target, the Federal funds rate, in November, and significantly reduced reserve requirements on short-term CD's and Eurodollar deposits in December. At this point, the full impact of these moves is uncertain. Another feature to be factored into the scenario is that the President and Congress agreed on a new budget plan this fall. It was originally projected to reduce the deficit by \$40 billion in fiscal year 1991 and by \$500 billion over the next five years.

Under present conditions, the effects of this fiscal belt tightening are far from clear. A reduction and eventual elimination of deficit federal spending is thought to be a critical variable for long-term growth and prosperity. However, the process of expenditure cuts and tax increases is likely to have negative impacts on economic growth and employment, at least in the short term, but the recession and Middle East crisis are having the effect of eroding the ability of the federal government to stay with the most recent budget plan.

While there are a number of less-than-encouraging signs on the economic horizon, the most likely path for the near term is a short and relatively mild recession. At least four factors currently point toward a modest recession. First, unlike the deep recessions of 1973-75 and 1981-82, inflation is not at double-digit levels. This may allow the Fed additional latitude to cushion downward pressures through a more accommodating monetary policy. Second, as growth has slowed, firms have kept inventories considerably more disciplined than in the deep recessions in 1973-75 and 1981-82. Third, the U.S. dollar has weakened throughout the year relative to other major currencies. This weakness will tend to encourage export growth from the U.S. (one of the few bright areas among the current economic data), and depress import growth. Fourth, after the initial price escalation of petroleum products, a variety of oil suppliers have increased production.

Given the uncertainties caused by Middle Eastern events, any number of presently unanticipated twists and turns may arise in the near future. Thus, while we anticipate a shorter and milder recession than the norm, the prospects of a protracted war raise the possibility of a deeper and longer recession. The main sources of a more pronounced downturn likely would be rapidly escalating oil prices (or supply interruptions) and significantly higher inflation rates.

Tennessee Short-Term Outlook

After experiencing slow economic growth in 1989 and early 1990, Tennessee entered 1991 in the midst of a recession. The forecast suggests that the downturn will be relatively brief and mild. Although a gradual but meager recovery is expected to begin by roughly the second quarter of the year, Tennessee should exhibit virtually no economic growth for 1991 over 1990. The performance of the U.S. economy has a large bearing on the state of the Tennessee economy, since short-term economic activity at the state and national levels historically tends to vary in essentially a parallel fashion. The forecast predicts that the U.S. recession will also be fairly short, extending only into the first quarter of 1991. The subsequent recovery is expected to result in very slight economic growth on the national scale in 1991. However, the length and depth of the Tennessee recession is largely dependent upon the resilience of the national economy, where the uncertainty surrounding the outcome of the Persian Gulf situation is a particular source of vulnerability.

Nominal Tennessee personal income is expected to grow at a seasonally adjusted annual rate (SAAR) of about 5 percent in 1991. However, inflation-adjusted real personal income will decline slightly in 1991; after displaying essentially zero growth in 1990. Higher energy prices following the Iraqi invasion of Kuwait fueled inflation in the third and fourth quarters of 1990. The short-term expectation is for the inflation rate to be approximately 5.2 percent, but again, the outlook may change rapidly and dramatically in response to changes in the Gulf situation.

The Tennessee unemployment rate is expected to rise to 6.5 percent in 1991, up from the 1990 level of 5.2 percent. Naturally, the rate will be somewhat higher than 6.5 percent in some months. Nonagricultural employment is predicted to rise very slowly throughout 1991 following declines in the third and fourth quarters of 1990. The construction and manufacturing sectors will be the main sources of job loss in 1991. Only the service sector is expected to make significant employment gains; however, service employment will grow at a slower rate than has been recently experienced. Tennessee will continue to follow the national shift away from employment in manufacturing and toward service sector employment. Nevertheless, employment in the manufacturing sector as a percent-

age of total nonagricultural employment remains significantly higher for Tennessee than for the U.S. economy as a whole.

Seasonally adjusted nominal sales are expected to rise 3.2 percent in 1991. However, this sales growth will reflect only increased prices; real (inflation-adjusted) sales are forecast to fall about 2 percent (SAAR) in 1991.

Tennessee Long-Term Forecast

The long-run forecast for the state, which covers the period 1990 through 1999, includes a continuation of the current economic slowdown through the early part of 1991. After this slowdown, the economy will grow at stable and favorable rates over the remainder of the long-term forecast period. The economy is, however, exposed to a number of risk factors, including weakness in the financial sector, that may cause growth to deteriorate at some future point. The uncertainty associated with these risks makes it impossible to include them explicitly in the long-term forecast.

Inflation-adjusted gross state product is forecast to grow at a 3.2 percent compound annual rate between 1990 and 1999, versus 2.4 percent growth in gross national product. Manufacturing sector production will expand as a share of total state production, from 29.5 percent to 30.1 percent. Within manufacturing, durable good manufacturing will expand, and nondurable good production will decline as shares of gross state product. Service sector output growth will be quite strong, increasing at a 4.8 percent compound annual rate, whereas output growth in the mining sector will be negative.

Overall employment growth for the state is projected to be 1.8 percent, on a compound annual basis. The service sector will grow dramatically, generating 219,500 new jobs. The manufacturing sector will gain 15,700 new jobs; however, durable good manufacturing will acquire 18,800 new jobs while the nondurable good sector loses 3,100 jobs. The mining sector is forecast to lose one-third of the jobs that existed in 1990.

Price inflation, as measured by the implicit price deflator for gross national product, will be modest, increasing at 4 to 4.5 percent rates over the forecast period. Earnings and income growth will be weak throughout the next decade. Inflation-adjusted per capita personal income is projected to increase at a 1.6 percent compound annual rate. Inflation-adjusted wage and salary growth will be much more anemic, increasing at only a 0.6 percent compound annual rate. ■

CHAPTER 1

U.S. ECONOMIC OVERVIEW

INTRODUCTION

From the 1982 recession until 1990, the course of the U.S. economy had been relatively uneventful, with eight years of variable but continuous growth. Now, however, a recession, accompanied by the Persian Gulf crisis and a new budget plan, has left the U.S. economy in a state of considerable uncertainty. This chapter provides an overview of current economic conditions and the short-term economic outlook for the United States. As will be seen in Chapter 2, the considerable uncertainty at the national and international levels weighs heavily on the outlook for the Tennessee economy.

The war in the Mideast is likely to be a primary determinant of the nation's economic performance during 1991. The forecast illustrated in the appendices and described in the text of this *Economic Report to the Governor* was developed prior to the outbreak of war and evidences the economic environment which would have occurred had war been postponed or prevented. This section is intended to describe how the economic scenario is affected by alternative outcomes of the war. Unfortunately, it is very difficult to predict the precise consequences in the absence of very good information on the war's duration and severity. This information will be known to us only as events unfold, meaning we must forecast its effects on the economy by considering alternative "what-if" scenarios regarding how the economy might respond to different war scenarios. The war probably has no long-term implications for the Tennessee economy, so the sections describing economic activity over long-time periods (as in chapter 3) are unaffected. However, its implications for the economy in 1991 are much more profound. The effects of different possible war scenarios are so great, in fact, that a forecast based on a particular war scenario is likely to be considerably in error, so the approach must necessarily be to describe how the forecast already presented here will change in response to different war scenarios.

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A short, victorious war, perhaps one lasting less than one month, is expected to improve the 1991 economic picture relative to that painted in chapters 1 and 2. The major reason is that consumer confidence will be substantially improved because of patriotic feelings and because service men and women will return home from the Middle East. Stronger consumer confidence means increased spending, particularly for consumer durables like automobiles and refrigerators. A short war will also lead to lower oil prices, giving people more money to spend for commodities other than oil. (Each penny decline in the price of oil saves Tennesseans about \$25 million.) In addition, lower oil prices translate into less inflation, and this can allow further interest rate declines. However, most of the oil price fall occurred in the weeks just before or just after the war's beginning, so substantial further declines are not likely.

The short war scenario means the recession will be briefer, and will end before summer. Nonetheless, 1991's economic growth will be modest, since the basic causes of relatively weak growth remain in place. Growth rates should be low compared with most post-recession bursts.

An Extended War Scenario

If the war extends beyond the short time discussed above (perhaps beyond three months), it will be increasingly negative for the economy relative to what is anticipated in the forecast. Consumer confidence will come back more slowly than expected, and the productive energies and spending of soldiers in the Middle East will be lost for a longer time. Large government spending to finance the war will increase the deficit (though the war is technically being financed off budget) and place greater upward pressure on interest rates. These factors will lead to lower demand for goods and services and will result in a weaker economy.

If hostilities continue for considerably longer (perhaps beyond eight months) it is likely that replacement of military supplies will be required, and this additional source of demand will be an economic stimulus. At

this point the economic effects may once again swing to the positive side because of the need to produce war goods. Naturally this will mean a shift in the economy's character as more war-related goods and fewer consumption goods are produced. Also, higher inflation and higher interest rates may result.

A major interruption in oil supplies from the Middle East would complicate the scenario even more and would substantially worsen the economic environment. Likely implications include a substantial reduction in the economy's ability to produce because of oil shortages. Considerably higher oil prices would absorb some of people's buying power and reduce the demand for other goods. Inflation and interest rates will probably be much higher, and this will further inhibit demand. Taking oil from the strategic reserves would lessen the shortages and impacts, but with a major supply interruption the price of oil would rise dramatically even if the reserves are used.

Both the medium- and long-term war scenarios are likely to be more negative for Tennessee than for the average state. One reason is Tennessee's concentration in production of consumer goods, which causes the state to be adversely affected by recessions. Further, A large share of soldiers in the Middle East have come from Tennessee. Finally, the state is not a large producer of war materials, so we will see less stimulus from large demand for military equipment and supplies.

The first section of this chapter describes the recent economic indices of the health of the U.S. economy. This evidence suggests that the growth in gross national product (GNP) became negative during the fourth quarter of 1990. The second section addresses, to the extent possible, the likely economic impacts of the Persian Gulf crisis. While events in the Gulf are evolving on a daily basis and could change abruptly in an unforeseen direction, there are certain basic economic characteristics that can be discussed to get an improved understanding of the linkages between events in the Persian Gulf and the national economy. The third and fourth sections summarize the recent developments in the federal government's fiscal and monetary policies. The final section of the chapter presents a base-line outlook for the U.S. economy for the next three years.

The Recent Past and Current Economic Conditions

A contraction in the economy is typically not termed a recession until there have been two successive quarters of zero or negative growth in GNP. While aggregate economic growth in the United States has been anemic for the past year, the overall economy has maintained some modest progress until recently. (See Figure 1.1). After a healthy growth rate of

4.5 percent in 1988, economic growth fell, but remained a respectable 2.5 percent in 1989. During 1990, even without the events in the Middle East, the national economic condition slipped closer to recession. After first quarter growth of 1.7 percent, the first serious signs of a possible recession emerged in the second quarter when GNP growth was a barely positive 0.4 percent. A modest improvement occurred in the third quarter of 1990, but GNP declined for the fourth quarter of 1990.

The first fact pointing towards a recession was the decline in the leading and coincident economic indicators. The U.S. leading index, which is typically thought to foreshadow the economic situation six to nine months in advance, fell in October for the fourth consecutive month. Eight of the leading index's eleven components were responsible for the decline. The second index, the U.S. coincident index, also fell in July, August, September, and October. The coincident index is constructed to reveal current economic activity. Four months of declines in these two indices is strong evidence that the economy is fading.

Several other economic statistics suggested that a recession was imminent: for instance, considerable weakness in labor markets, with more than 700,000 jobs lost in the U.S. Also, total nonagricultural employment fell nationally in October for the fourth consecutive month. This slide in total employment reflects a sharp decline in the goods-producing sectors, including manufacturing employment, which has fallen continuously since February 1989. The very modest employment growth in the service sector, a sector traditionally insulated from short-run cyclical movements, suggests a broadly-based weakness in the overall labor market. It should be noted, however, that the weakness in the labor market does not appear to be geographically uniform. Some regions of the country—New England, for example—have seen dramatic declines in employment in recent months, while other regions such as Florida have continued to see modest employment gains. A more detailed examination of the Tennessee employment condition and outlook will be presented in Chapter 2.

Because consumer spending constitutes a large share (roughly 65 percent) of total economic activity, its importance to recent economic developments cannot be emphasized too strongly. Most analysts point toward the longevity of the economic expansion of the 1990s as directly attributable to the robust levels of consumer spending that occurred following the 1982 recession. As with aggregate economic activity, consumer spending was slow but positive heading into 1990. During 1989, inflation-adjusted consumer spending grew by 1.9 percent. During 1990, however, consumer spending was anemic with one exception (June). Monthly growth in real consumer expenditures was, as often as not, nega-

FIGURE 1.1
Quarterly Growth Rates of Real GNP

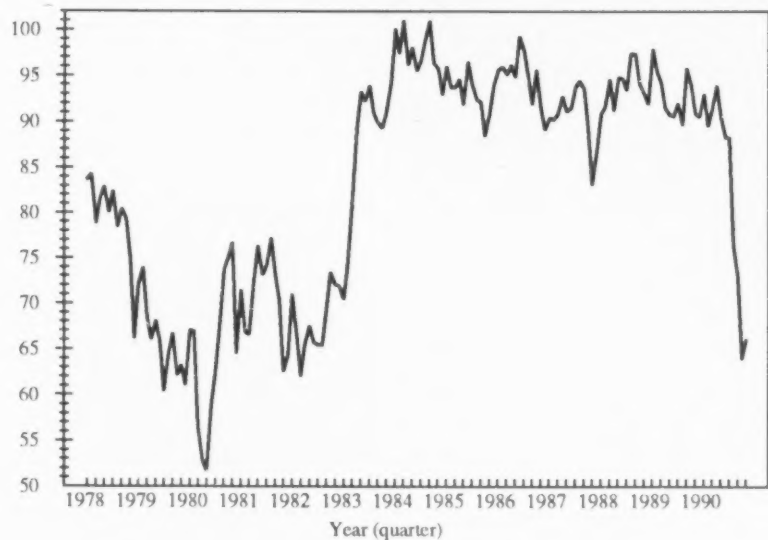


These declines in consumer morale are not driven solely by events in the Middle East. Both the prospect of higher inflation and higher taxes have contributed to the recent erosion.

tive during 1990. Moreover, after the Iraqi invasion of Kuwait, consumer confidence fell considerably. (See Figure 1.2). The Conference Board's Index of Consumer Attitudes has dropped steadily since August, with the October decline being the largest single month decline since the index began. However, these declines in consumer morale are not driven solely by events in the Middle East. Both the prospect of higher inflation and higher taxes have contributed to the recent erosion. This suggests that even if the Persian Gulf crisis should be resolved quickly, it is not likely that consumer confidence will rebound to the buoyant levels of the mid-1980s any time soon.

While these consumer attitude data do not project optimism about future levels of consumer spending, the most recent data available on actual spending has not been all bad news. For instance, even in the wake of the Iraqi invasion, automobile sales were strong in September and October. Led by these increases, real consumer spending increased in September by a respectable three-tenths of one percent. Continuation of positive growth in consumer spending in the fall would seem to belie the consumer attitude data. However, the acceleration of automobile sales in the fall may have been due to aggressive rebating and sales at the end of the 1990 model year. To the extent that this was the case, it is likely that strong sales in the fall occurred at the expense of subsequent sales in the fourth quarter.

FIGURE 1.2
Conference Board's Index of Consumer Attitudes



A final indication that national economic growth was likely to deteriorate was that several other industrial economies had already entered a slowdown. Canada, for instance, has officially entered a recession, with declines in GNP during the second and third quarters. Just as state economies are, in part, dependent upon the U.S. economic performance, so is the U.S. economy dependent on activity in the world economy. Therefore, a global economic slowdown increases the chances that the U.S. economy will enter a recession.

Persian Gulf Crisis

Most economic analysts felt that the U.S. economy was particularly anemic prior to the invasion of Kuwait by Iraq. The Iraqi invasion of Kuwait and the buildup of U.S. forces in Saudi Arabia have worsened the current economic situation. Perhaps most importantly, the crisis has created a high level of economic uncertainty that is difficult for an already lethargic economy to absorb. Seemingly at the heart of these uncertainties is the matter of oil prices and their relationship to our economic growth and inflation. After hitting an annual peak price of \$35 per barrel for imported oil in 1981, the 1980s were characterized by continuously declining prices for crude oil until 1987. (See Figure 1.3). After 1988, prices for oil crept up to a pre-invasion peak of almost \$19 per barrel in January of 1990, with declines down to \$15.67 per barrel in July. Oil

prices increased immediately following Iraq's invasion of Kuwait. In the three months following the invasion, crude oil prices ranged between \$25 and \$40 per barrel.

Historically, oil price shocks have been associated with subsequent hard economic times. Both the 1973 Arab oil embargo and the shortages caused by the onslaught of the Iran-Iraq war in 1979 were followed by recessions. It did not *necessarily* follow from these historical linkages, however, that a recession should occur after the most recent run-up in price. To establish such a connection it is necessary to fully identify the specific linkages (and the extent of their magnitude) that exist between oil prices and economic activity. Such a linkage occurs at the most basic level by the distorting effects of energy price increases on businesses and households. For example, when businesses make choices about production techniques on the basis of one set of energy prices (including decisions that cannot easily be reversed in the short run) and then suddenly find themselves facing a significantly different set of energy prices, it is likely that production (and productivity) will fall. Similarly, the ability of households to adjust to rapidly changing energy prices is limited in the short run. Consequently, households typically must simply absorb the higher energy costs in the short run. The additional expenditures on energy, in turn, leave a smaller share of households budgets available for other goods and services. Thus, both businesses and households are also affected by increasing energy prices. These *microeconomic* effects are translated into *macroeconomic* effects because reduced spending by consumers reduces aggregate economic demand. This softening of the economy leads firms to reduce employment levels, creating further declines in the purchasing power of consumers. Moreover, because energy price increases are primarily driven by reductions in the supply of an important input, upward pressure is created on inflation as firms attempt to pass along energy price increases to consumers.

While the linkages between energy price increases and economic activity are real, there are a number of common misunderstandings and frequently asked questions about the energy sector. Perhaps the most frequent query is why the price of energy does not reflect its "cost." Such questions often lead to speculation that the Arabs, big oil companies and/or Ed at the corner gasoline station have conspired to gouge consumers. While such speculation was not prominent in the 1980s, in the wake of the Iraqi invasion of Kuwait and the subsequent rapid increase in gasoline prices, these charges began to surface again. For instance, it was widely alleged that the rapid increase in the price of refined petroleum products in August was unadulterated "price gouging" since it did not reflect the "cost" of petroleum inventories, which had already been purchased. While the

FIGURE 1.3
Cost of Crude Oil Imports
1988 - 1990



Source: *Monthly Energy Review* and verbal updates from the Energy Information Administration, December 1990.

possibility of unscrupulous businessmen cannot be completely discounted, any claims of "price gouging" are, in this case, tempered by economic reasoning. Indeed, economic analysis of petroleum product prices indicates that the price escalations following the Iraq invasion were the logical consequence of supply reductions of oil formerly originating in Iraq and Kuwait. Moreover, while the *accounting* cost of petroleum products already purchased did not change in the immediate aftermath of the Iraqi invasion, the *opportunity* cost of petroleum did increase. This opportunity cost is the value of oil products used in their most valued alternative use (in contrast to continued supply at pre-invasion prices). Because the invasion created the expectation of higher prices for oil in the future, the "cost" of producing petroleum products today rather than at some future time is increased. When such opportunity costs increase, the normal economic reaction is for prices to rise. (See Figure 1.4.) Moreover, while consumers are understandably unhappy about paying higher prices, the new prices, which mirror the higher opportunity costs, serve a valuable purpose in well-functioning markets. Specifically, the price increase has the effect of allocating more supply to future periods when supplies are an-

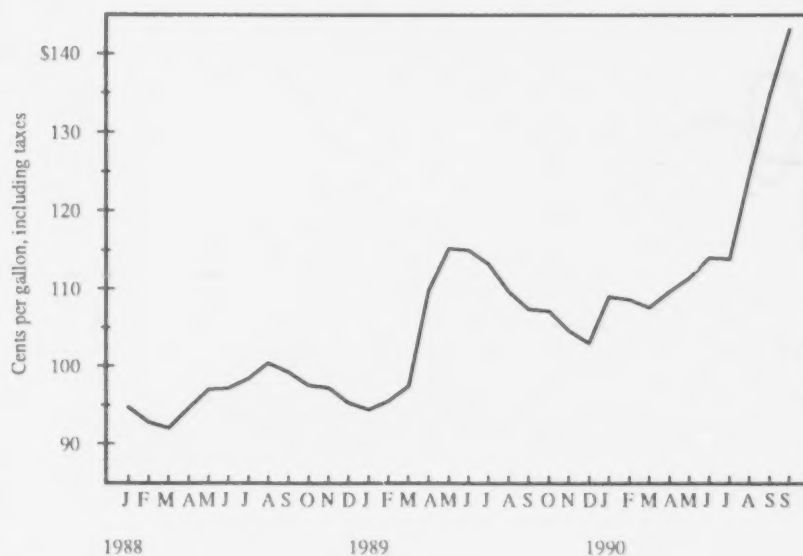
ticipated to be relatively scarce, therefore spreading the burden of the expected scarcity over time.

In this regard, it may also be helpful to consider the parallels between the pricing of other goods—say, housing, and petroleum. If, after purchasing a house (oil), demand and supply conditions become such that the market price of the house (oil) rose by X percent, would it not be foolish for the homeowner (gasoline dealer) to sell his house (oil) at its historic cost? Indeed, nobody would seriously claim that the individual homeowner selling his house at the market price was engaged in "price gouging."

If, then, individual market participants are not to be held liable for the run-up in price, what about the "big oil companies" or the world oil cartel (OPEC)? Here again, the possibility of unscrupulous behavior cannot be eliminated *a priori*. In fact, history is relatively replete with examples of monopolistic or predatory conduct by members of the petroleum industry. But given the salutary effects of individual entrepreneurs pursuing profits, public policy intervention in markets should require clear evidence of a conspiracy to restrain trade or raise prices above competitive levels. Because high industry concentration (paucity of firms and high relative market shares) is often thought to facilitate such collusion, it is useful to examine the structure of the domestic petroleum market. From this perspective, over the past fifteen years such a conspiracy has become considerably less likely as the ownership and production of petroleum reserves has become increasingly diverse. Domestic operations at the exploration, refinery, and retail levels are relatively unconcentrated. For example, by 1980, sales of the largest four firms accounted for less than 30 percent of total domestic refinery output. At the international level, the introduction of North Sea oil and oil from the northern Alaskan slope have diversified production, while the increasingly disparate goals of the OPEC member states have become more pronounced. These divergent objectives of the OPEC members led to price decreases in world oil markets for most of the 1980s despite their stated objective to maintain higher prices. Thus, it seems unlikely that the rapid price increases following the invasion of Kuwait can accurately be attributed to a conspiracy by either domestic petroleum companies or oil-producing countries. To be sure, consumers will not enjoy paying higher prices for petroleum products for the short, medium, and perhaps, long run but, absent evidence of a conspiracy (which is a violation of the Sherman Antitrust Law), it appears that price increases are a legitimate market response to the recent events in the Persian Gulf.

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FIGURE 1.4
U.S. City Average Prices for Gasoline



Source: *Monthly Energy Review*, July 1990, p. 94.

Monetary Policy

Actions by the Federal Reserve can have important impacts on national economic activity. However, the degree and direction of these policies are dependent on a number of factors. The Federal Reserve (Fed), under the chair of Alan Greenspan, has been very conservative in its reaction to changes in economic activity in the past. The Fed sees its primary job as preserving the value of the dollar; thus any action on the part of the Fed to ease credit should be interpreted as a major shift in beliefs about the future performance of the economy. Therefore, recent actions by the Fed evidence their concern that the present economic condition has intensified. In an attempt to ease the availability of credit, the Federal Reserve moved to lower its key interest rate target, the Federal funds rate, in November, and significantly reduced reserve requirements on short-term CD's and Eurodollar deposits in December. At this point, the full impact of these moves is uncertain. It is normally suggested that such actions by the Fed will reduce interest rates, which in turn will stimulate investment and consumption. Some support for this view can be found in the recent drop in the prime interest rate, which is one of the major indicators of interest rate

movements. However, the tightened regulatory environment, due primarily to the S&L debacle, as well as the recessionary "news," has forced banks to increase their excess reserve holdings. The ability of the Fed to affect bank lending, thus expanding the money supply, has therefore been eroded.

The ability of the Fed to create downward pressure on interest rates is also restricted in times of an increasing rate of inflation. Higher expectations for increases in the rate of inflation place upward pressure on interest rates to maintain lenders' expected real rate of return. Increases in the inflation rate reduce the so-called real interest rate, which is the nominal interest rate minus the rate of inflation. Therefore, nominal interest rates must rise to maintain the real interest rate. The principal importance of the Fed policies in the coming months is twofold. First, as we shall see momentarily, the likelihood of a careful fiscal policy response by the federal government to recent economic events is extraordinarily constrained, throwing more of the counter-cyclical burden on the Fed. And, second, the Fed will necessarily have to walk a very fine line in coming months between the pitfalls of recession and the perils of inflation. Given that monetary policy is generally considered to be *either* anti-recessionary (a loose money policy) *or* anti-inflationary (a tight money policy), the challenges facing the Fed are formidable in the next few months.

Fiscal Policy

The President and Congress agreed on a new budget plan this fall. It was originally projected to reduce the deficit by \$40 billion in fiscal year 1991 and by \$500 billion over the next five years. The plan is designed to accomplish this by reducing government expenditures on defense, farm subsidies, Medicare and other entitlement programs, and by increasing certain taxes and user fees. However, these projections were made prior to the current erosion of economic activity and the rapidly escalating costs associated with Operation Desert Shield and Operation Desert Storm. Revised estimates call for a near record-breaking deficit for the current 1991 fiscal year.

At this point, the effects of this fiscal belt tightening are far from clear. A reduction and eventual elimination of deficit federal spending is thought to be a critical variable for long-term growth and prosperity. However, the process of expenditure cuts and tax increases is likely to have negative impacts on economic growth and employment, at least in the short term. Moreover, several recent developments, including the recession and the Middle East crisis, are having the effect of eroding the ability of the federal government to stay with the most recent budget plan. First, as the costs of Operation Desert Shield have mounted, planned Defense Department ex-

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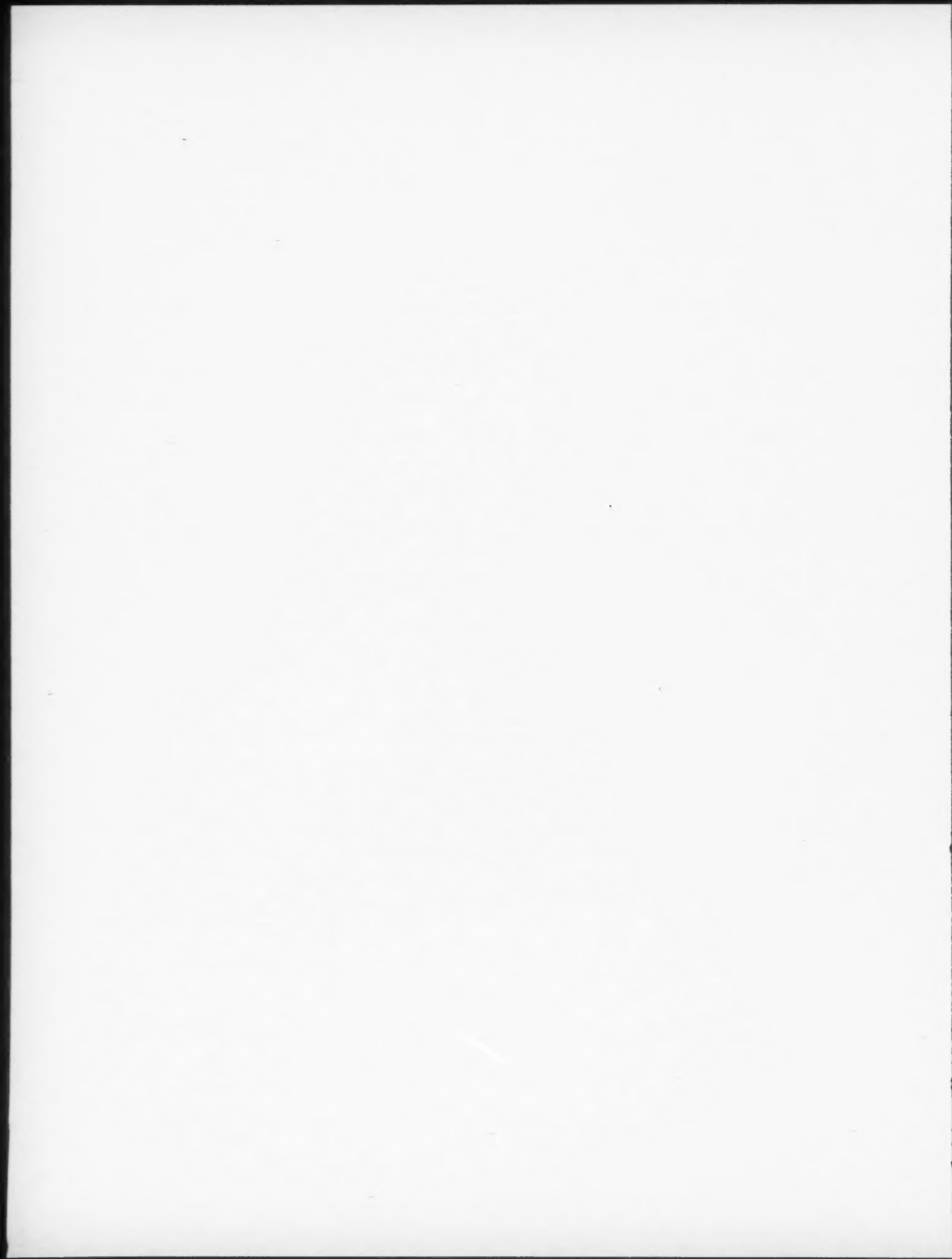
penditure cuts have been delayed. Now that war has actually erupted in the Persian Gulf, defense expenditures will escalate even more rapidly. Second, the estimated costs associated with the savings and loan bailout continue to rise. In particular, the slower economy and the increasingly depressed housing sector have led to more pessimistic estimates about the savings and loan bailout. Finally, the declining growth and likely recession of the national economy will exert upward pressure on welfare-related federal expenditures and will reduce revenues. Together, these forces severely constrain the latitude for the federal government to successfully engage in countercyclical fiscal policy in the near term.

Forecast

While there are a number of less-than-encouraging signs on the economic horizon, the most likely path for the near term is a short and relatively mild recession. Gross National Product, the broadest measure of national economic output, suffered a -2.1 percent decline during the fourth quarter of 1990 and is expected to experience a further decline of 0.6 percent in the first quarter of 1991. GNP is expected to rebound during the second quarter of 1991, with positive growth continuing well into 1992. The civilian unemployment rate, which was 5.6 percent during the third quarter of 1990, is predicted to peak at 6.6 percent during the third quarter of 1991. This would imply a significant loss of employment but is still not considered a deep recession.

While the potential for a protracted and deep recession cannot be ignored, at least four factors currently point toward a brief and mild recession. First, unlike the deep recessions of 1973-75 and 1981-82, inflation is not at double-digit levels. This may allow the Fed additional latitude to cushion downward pressures through a more accommodating monetary policy. Second, as growth has slowed, firms have kept inventories considerably more disciplined than in the deep recessions in 1973-75 and 1981-82. Thus, unlike these prior recessions, it is not expected that there will be a major inventory correction to adjust to slower (or no) growth. Third, the U.S. dollar has weakened throughout the year relative to other major currencies. This weakness will tend to encourage export growth from the U.S. (one of the few bright areas among the current economic data), and depress import growth. Fourth, after the initial price escalation of petroleum products, a variety of oil suppliers have increased production. To the extent that these suppliers can (and will) continue to produce at current output rates, the impact on petroleum prices of the current Persian Gulf crisis will be smaller in magnitude than the 1973-75 and 1979 price shocks.

Given the rapid speed with which Middle Eastern events are unfolding, any number of presently unanticipated twists and turns may arise in the near future. Thus, while we anticipate a shorter and milder recession than the norm, the prospects of a protracted war raise the possibility of a deeper and longer recession. The main sources of a more pronounced downturn likely would be rapidly escalating oil prices (or supply interruptions) and significantly higher inflation rates.■



CHAPTER 2

THE SHORT-TERM OUTLOOK FOR TENNESSEE

The Tennessee economy has reached a critical juncture. Indications are that the slow growth experienced in the first half of 1990 has given way to a downturn which will extend into 1991. The severity and length of the apparent downturn will depend heavily upon the performance of the U.S. economy, which also performed sluggishly throughout 1990. Historically, the state of the Tennessee economy is closely linked to that of the national economy. However, while the health of the Tennessee and U.S. economies tends to rise and fall in a roughly parallel fashion, recently Tennessee has experienced less economic growth than the U.S. average. At this writing, it is anticipated that both the Tennessee and U.S. economies are in for short and relatively mild recessions. However, a major concern for Tennessee is that if the U.S. slips further than expected in late 1990 and early 1991, the state will fall into a longer and deeper recession than is currently predicted. The primary source of this concern lies in the high degree of uncertainty created by the Persian Gulf crisis.

While the health of the Tennessee and U.S. economies tends to rise and fall in a roughly parallel fashion, recently Tennessee has experienced less economic growth than the U.S. average.

RECENT DEVELOPMENTS

Tennessee Economic Indicators

Early signals of the recession in Tennessee were provided by the monthly Tennessee Economic Indicators. (See Table 2.1.) The Tennessee index of leading economic indicators fell in October for the fourth straight month, while the Tennessee coincident index fell for the third straight month. Both the leading and coincident indicators were down from their October 1989 levels. These developments verified that the state had in fact already slipped into a recession. (See Figures 2.1 and 2.2.)

The decline in Tennessee's leading index was less than 1 percent in October, at a seasonally adjusted annual rate, following a decrease of nearly 11 percent in September. Contributing to the latest decrease were the U.S. leading index and seasonally adjusted initial claims for Tennessee unemployment insurance. The U.S. leading index fell over 13 percent (SAAR) in October, the fourth consecutive month of decline. Meanwhile, initial unemployment claims rose by more than 10,000 over September's level, a substantial increase. The latest level represents an increase of over 40 percent from October 1989.

TABLE 2.1
Tennessee Economic Indicators
(Seasonally Adjusted)

	11/89	12/89	1/90	2/90	3/90	4/90	5/90	6/90	7/90	8/90	9/90	10/90	11/90	1987	1988	1989
US Personal Income (BIL 82 \$) (1)	3553.3	3560.3	3549.1	3555.4	3564.5	3566.6	3574.2	3569.8	3572.9	3555.1	3545.5	3523.6	3523.2	3311.2	3439.2	3534.9
% Chg Prev Month SAAR	4.07	2.41	-3.72	2.16	3.13	0.70	2.57	-1.47	1.07	-5.82	-3.20	-7.16	-0.15	3.02	3.87	2.78
% Chg Same Month Last Yr	2.59	2.25	1.09	0.74	0.56	0.88	1.56	1.32	1.14	0.62	0.30	-0.50	-0.85	3.02	3.87	2.78
US CPI All Urban Consumers (1982-84=100)	125.8	126.3	127.7	128.3	128.9	129.1	129.3	130.0	130.5	131.5	132.5	133.3	133.7	113.7	118.3	124.0
% Chg Prev Month SAAR	3.90	4.88	14.14	5.79	5.76	1.88	1.87	6.69	4.71	9.59	9.52	7.49	3.66	3.67	4.06	4.80
% Chg Same Month Last Yr	4.57	4.64	5.19	5.25	5.22	4.70	4.44	4.75	4.82	5.62	6.17	6.30	6.28	3.67	4.06	4.80
TN Nonag Employment (THOU) (2)	2167.6	2172.4	2182.6	2181.5	2172.6	2170.1	2178.2	2166.6	2183.9	2191.2	2185.1	2171.6	2166.5	2012.0	2091.8	2153.3
% Chg Prev Month SAAR	0.40	2.71	5.77	-0.61	-4.81	-1.35	4.58	-6.21	10.01	4.11	-3.29	-7.19	-2.79	4.25	3.97	2.94
% Chg Same Month Last Yr	1.88	2.13	3.05	2.85	2.19	1.70	1.36	0.47	0.54	0.62	0.39	0.15	-0.05	4.25	3.97	2.94
US Nonag Employment (MIL)	109.2	109.4	109.7	110.0	110.1	110.2	110.6	110.8	110.7	110.6	110.6	110.4	110.2	102.2	105.5	108.4
% Chg Prev Month SAAR	2.96	1.53	3.01	3.38	1.80	0.60	4.90	2.32	-0.96	-1.37	-0.01	-1.94	-2.78	2.69	3.27	2.73
% Chg Same Month Last Yr	2.32	2.16	2.07	2.15	2.14	2.03	2.30	2.27	2.07	1.83	1.60	1.33	0.85	2.69	3.27	2.73
TN Unemployment Rate (%) (2)	5.1	5.2	5.3	5.2	5.1	5.0	5.0	4.6	5.0	5.0	5.2	5.5	5.7	6.6	5.8	5.1
US Unemployment Rate (%)	5.3	5.3	5.3	5.3	5.3	5.4	5.3	5.3	5.5	5.6	5.7	5.7	5.9	6.2	5.5	5.3
Bank Prime Interest Rate (%)	10.5	10.5	10.1	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	8.2	9.3	10.9
US Coincident Composite Index (1982=100)	133.4	133.8	132.7	133.8	134.2	133.7	134.4	134.9	134.6	134.4	133.2	131.8	130.3	123.6	130.0	133.5
% Chg Prev Month SAAR	2.74	3.66	-9.43	10.41	3.65	-4.38	6.47	4.56	-2.64	-1.77	-10.20	-11.91	-12.83	3.85	5.19	2.71
% Chg Same Month Last Yr	1.29	0.98	-0.45	0.38	0.60	-0.30	0.75	1.12	1.20	0.30	-0.37	-0.98	-2.32	3.85	5.19	2.71
US Leading Composite Index (1982=100)	144.6	145.3	145.4	144.1	145.4	145.2	146.0	146.2	146.1	144.4	143.2	141.4	139.7	140.0	142.7	144.9
% Chg Prev Month SAAR	1.67	5.97	0.83	-10.22	11.38	-1.64	6.82	1.66	-0.82	-13.10	-9.53	-14.08	-13.51	5.97	1.90	1.54
% Chg Same Month Last Yr	0.35	0.21	-0.34	-1.03	0.41	-0.34	1.11	1.39	1.39	-0.35	-1.17	-2.08	-3.39	5.97	1.90	1.54
TN Coincident Composite Index (1/74=100)	126.2	126.5	127.0	124.8	126.1	126.6	126.1	126.7	126.9	125.5	125.1	124.5	122.5	119.2	123.7	126.1
% Chg Prev Month SAAR	1.42	2.53	4.86	-18.61	12.96	4.84	-4.15	5.07	2.55	-12.62	-4.37	-5.06	-18.03	3.60	3.81	1.92
% Chg Same Month Last Yr	1.72	1.44	1.06	-0.32	0.24	-0.41	-0.09	0.31	1.32	-0.35	-1.09	-1.47	-2.97	3.60	3.81	1.92
TN Leading Composite Index (1/74=100)	113.4	112.5	114.1	114.0	113.1	113.1	113.3	113.9	112.7	112.0	110.9	110.8	109.9	112.8	113.5	113.6
% Chg Prev Month SAAR	6.93	-9.42	18.48	-0.69	-9.19	0.52	1.96	6.76	-11.83	-7.87	-11.22	-0.96	-8.84	2.14	0.63	0.02
% Chg Same Month Last Yr	-0.47	-1.47	0.03	-0.22	-0.65	-1.27	-0.34	0.38	0.05	-1.59	-2.51	-1.75	-3.05	2.14	0.63	0.02
TN Comm & Ind Elect Consumption (MIL KWII) (3)	32399	2381	2486	2254	2307	2349	2370	2402	2469	2352	2475	2440	2387	25124	26796	27784
% Chg Prev Month SAAR	45.16	-8.65	67.50	-69.14	32.32	24.60	11.05	17.56	38.94	-44.06	84.23	-15.88	-23.02	3.26	6.66	3.69
% Chg Same Month Last Yr	6.17	4.69	10.41	-0.58	0.61	2.06	2.84	2.34	8.23	2.53	5.86	4.91	-0.49	3.26	6.66	3.69
Help Wanted Index, Memphis (1967=100) (4)	135	138	140	131	139	144	131	131	129	125	114	119	109	143	144	143
% Chg Prev Month SAAR	-66.82	30.18	18.85	-54.95	103.67	52.82	-67.87	0.00	-16.86	-31.48	-66.89	67.38	-65.12	13.91	0.93	-0.87
% Chg Same Month Last Yr	0.75	2.22	-4.11	-5.07	-2.11	-7.10	-10.88	-7.75	-7.19	-10.71	-20.28	-19.59	-19.26	13.91	0.93	-0.87
TN Mfg Employment (THOU) (2)	524.3	524.4	527.9	525.2	522.5	522.2	524.1	518.7	522.7	521.7	519.3	518.2	514.4	497.6	511.8	523.7
% Chg Prev Month SAAR	-3.05	0.27	8.14	-5.96	-6.02	-0.69	4.60	-11.69	9.53	-2.19	-5.41	-2.41	-8.41	1.43	2.87	2.32
% Chg Same Month Last Yr	1.72	1.41	1.91	1.38	0.66	0.05	-0.08	-1.23	-0.85	-1.39	-1.49	-1.42	-1.88	1.43	2.87	2.32
US Mfg Employment (MIL)	19.3	19.3	19.2	19.2	19.2	19.2	19.1	19.1	19.1	19.1	19.0	19.0	18.7	19.0	19.4	19.4
% Chg Prev Month SAAR	-1.72	-1.36	-6.81	4.67	-1.67	-1.67	-1.43	-1.18	-1.06	-2.91	-4.01	-4.21	-12.18	0.32	1.73	0.39
% Chg Same Month Last Yr	-0.80	-1.00	-1.87	-1.33	-1.47	-1.53	-1.60	-1.57	-1.58	-1.78	-1.81	-1.98	-2.90	0.32	1.73	0.39
TN Mfg Avg Weekly Hours (2)	39.6	39.1	39.2	38.6	38.3	38.3	39.2	39.0	39.4	39.5	39.6	39.3	39.4	41.6	41.6	40.8
% Chg Prev Month SAAR	-22.21	-14.54	1.90	-15.77	-0.71	-10.60	34.48	-5.69	13.94	0.59	2.62	-8.05	-2.30	0.80	0.05	-1.82
% Chg Same Month Last Yr	-3.95	-6.06	-4.52	-5.84	-6.05	-8.41	-4.76	-5.37	-3.51	-4.11	-4.20	-2.99	-0.75	0.80	0.05	-1.82
TN Taxable Sales (MIL \$) (5)	3498	3440	3636	3840	3633	3625	3530	3672	3646	3471	3422	3560	3639	37583	39841	41407
% Chg Prev Month SAAR	14.43	-18.15	94.67	92.55	-48.53	-2.62	-27.25	60.39	-8.31	-44.61	-15.58	60.84	29.90	6.26	6.01	3.93
% Chg Same Month Last Yr	3.50	1.00	7.48	14.13	3.14	6.96	2.28	4.81	5.21	-0.04	-1.08	2.94	4.03	6.26	6.01	3.93
TN Taxable Sales (MIL 82 \$) (5)	2780	2723	2847	2993	2819	2808	2730	2825	2794	2639	2583	2671	2721	33040	33665	33388
% Chg Prev Month SAAR	10.14	-21.95	70.55	82.02	-51.33	-4.42	-28.59	50.32	-12.44	-49.46	-22.92	49.63	25.32	2.49	1.89	-0.82
% Chg Same Month Last Yr	-1.02	-3.48	2.18	8.44	-1.98	2.16	-2.07	0.05	-0.37	-5.36	-6.83	-3.16	-2.11	2.49	1.89	-0.82
Initial Claims For TN UI (THOU) (2)	41.3	42.1	43.4	40.2	42.7	44.9	46.5	34.8	45.9	48.4	49.2	59.8	59.0	439.2	417.2	466.1
% Chg Prev Month SAAR	-24.9	24.4	44.8	-59.8	101.7	85.1	50.4	-96.9	2756.9	88.8	20.9	937.1	-14.7	-14.2	-5.0	11.7
% Chg Same Month Last Yr	8.49	29.14	23.19	16.51	21.77	42.22	20.03	-14.81	9.10	10.44	28.18	41.27	42.78	-14.20	-5.01	11.72
Continued Weeks Claimed For TN UI (THOU) (2)	203.2	185.3	216.6	197.5	187.9	219.1	234.2	202.9	237.6	217.0	206.1	274.8	257.1	2061.5	2063.2	2172.4
% Chg Prev Month SAAR	7.3	-66.8	550.1	-67.0	-44.9	531.4	122.6	-82.1	565.7	-66.4	-46.2	3056.3	-55.0	-10.5	0.1	5.3
% Chg Same Month Last Yr	4.35	18.93	24.83	18.35	9.34	33.73	28.28	16.74	30.82	11.35	19.27	36.04	26.54	10.51	0.08	5.29
Total TN Construction Starts (6)	431.7	393.6	457.7	425.0	403.4	490.6	493.5	431.4	376.2	384.9	386.8	460.4	346.6	5330.5	5283.8	5341.7
% Chg Prev Month SAAR	-15.2	-67.0	511.1	-58.9	-46.6	946.7	7.5	-80.1	-80.6	31.3	6.1	709.0	-96.7	1.2	-0.9	1.1
% Chg Same Month Last Yr	-12.01	-13.36	4.54	-9.66	3.37	-11.40	11.87	-4.47	-5.88	-17.52	-17.28	5.19	-19.73	1.22	-0.88	1.10
Value Of TN Constr Starts (MIL 82 \$, NSA) (6)	275	304	255	228	283	268	306	379	245	343	282	341	180	4495	4240	4054
% Chg Prev Month SAAR	-50.1	240.8	-88.2	-73.1	1204.0	-47.5	383.0	1240.2	-99.5	5784.8	-90.7	866.6	-100.0	7.9	-5.7	-4.4
% Chg Same Month Last Yr	-6.16	-2.56	-8.21	-0.98	0.41	-28.44	-22.45	-5.83	-17.12	-21.25	-42.56	16.94	-34.46	7.86	-5.67	-4.40
	87/III	87/IV	88/I	88/II	88/III	88/IV	89/I	89/II	89/III	89/IV	90/I	90/II	90/III	1987	1988	1989
US GNP (BIL 82 \$) (1)	3858.9	3920.7	3970.2	4005.8	4032.1	4059.3	4095.7	4112.2	4129.7	4133.2	4150.6	4155.1	4170.0	3845.3	4016.9	4117.7
% Chg Prev Qtr SAAR	4.10	6.56	5.15	3.64	2.65	2.73	3.64	1.62	1.71	0.34	1.69	0.43	1.44	3.43	4.46	2.51
% Chg Same Qtr Last Yr	3.95	5.01	5.00	4.86	4.49	3.54	3.16	2.66	2.42	1.82	1.34	1.04	0.98	3.43	4.46	2.51
TN Personal Income (MIL \$) (1)	62903	65099	65891	67551	68754	70010	71334	72213	72950	73850	75420	76101	NA	62704	68052	72587
% Chg Prev Qtr SAAR	7.37	14.71	4.96	10.46	7.32	7.51	7.78	5.02	4.15	5.03	8.78	3.66	NA	8.39	8.53	6.66
% Chg Same Qtr Last Yr	7.83	9.86	7.98	9.31	9.30	7.54	8.26	6.90	6.10	5.48	5.73	5.38	NA	8.39	8.53	6.66
TN Personal Income (MIL 82 \$) (1)	52288	53579	53921	54697	55047	55432	55773	55763	56029	56032	56284	56288	NA	52421	54774	55899
% Chg Prev Qtr SAAR	2.80	10.25	2.57	5.89	2.58	2.82	2.49	-0.07	1.92	0.02	1.81	0.03	NA	3.62	4.49	2.05
% Chg Same Qtr Last Yr	2.81	4.71	3.92	5.33	5.28	3.46	3.44	1.95	1.78	1.08	0.91	0.94	NA	3.62	4.49	2.05

1. Annual Rate.

2. Calculated from data provided by the Tennessee Department of Employment Security.

3. Source: Tennessee Valley Authority.

FIGURE 2.1
Leading Index

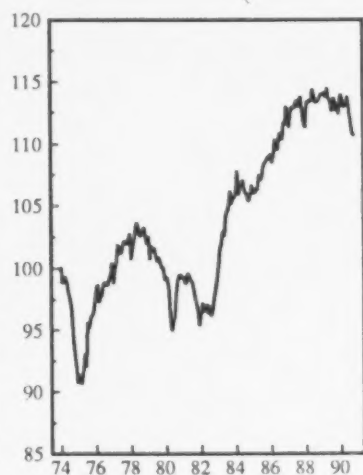
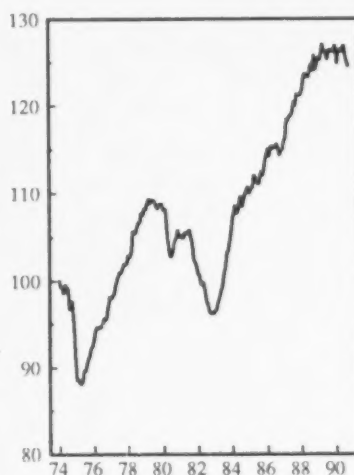


FIGURE 2.2
Coincident Index



Helping to offset these factors were increases in the other three components of the leading index. Construction starts continued to run counter to the downward drift of the composite index, registering a third consecutive month of increase. Inflation-adjusted taxable sales and taxable mortgages each reversed their September declines, although both remain lower than their October 1989 levels. The apparent strength in the construction sector is puzzling, given recent weakness in construction employment.

The Tennessee coincident index stood at 124.6 in October, down from September's level of 125.1, which translates into a decrease of 4.6 percent when measured at a seasonally adjusted annual rate. The October level was the lowest for the index since November 1988. A major element of the Tennessee index, the U.S. coincident index, fell 11.1 percent (SAAR) in October. This represents the fourth consecutive month of decline for the U.S. index, verifying that the U.S. has entered a recession. Another component of the Tennessee index that contributed to the October decline was commercial and industrial electrical consumption. The Memphis help-wanted index, however, helped cushion the drop in the coincident index by posting its first increase since April.

Persian Gulf Crisis

The short-term health of the Tennessee economy depends largely on what is happening on the national scale. Even prior to the Iraqi invasion of Kuwait, the U.S. economy was exhibiting signs of weakness. Second quarter real Gross National Product (GNP) rose a meager 0.43 percent (SAAR) over the previous quarter, and was up only 1.04 percent from second quarter 1989. In contrast, real GNP growth for 1988 and 1989 was 4.46 and 2.51 percent, respectively. Indications of pre-invasion sluggishness are augmented by the declines in the U.S. coincident index for July through October and by the fact that the index fell close to 1 percent from October, 1989 to October, 1990.

As noted in Chapter 1, the effect of the Gulf crisis on the economy has been difficult to gauge thus far. Third quarter 1990 figures were somewhat ambiguous. Rising crude oil prices clearly helped boost inflation, for instance, while unemployment increased slightly; but despite gloomy expectations, third quarter real GNP rebounded with a 1.8 percent (SAAR) gain. Fourth quarter real GNP fell to -2.1 percent, however, signalling the onset of the anticipated downturn. Continued uncertainty regarding the Gulf situation makes it very difficult to forecast an impact on the economy, but the threat of war or actual fighting generally causes households and businesses to form pessimistic expectations regarding their economic future, which depresses spending and thereby contributes to recessionary pressures.

Budget Compromise Bill

The short-term outlook for Tennessee may also be adversely affected by the federal budget compromise bill of October. The bill contained government spending cuts and tax increases designed to reduce the federal budget deficit. The effect of this measure on the short-term outlook for Tennessee will depend largely on the resilience of the U.S. economy. It is possible that the depressing effects of the budget bill may not begin to be fully felt until mid-to-late 1991, when a stronger predicted U.S. economy may be better able to absorb them. Moreover, a large part of the rationale for passing a deficit-reduction package was the expectation that the Federal Reserve would relax its monetary policy if a serious attempt was made to reduce the deficit. Anticipated lower interest rates following passage would, according to conventional wisdom, stimulate business and household spending, thereby offsetting the contractionary fiscal policy effects. Although initially wary of easing rates too much—due to inflationary fears in the wake of the Persian Gulf crisis—the Fed has begun to take more dramatic action. On December 18, in response to reports of a rapidly worsening economy, the Fed reduced its discount rate by one half of a percentage point to 6.5 percent. Cause for concern is that the theoretical

economy may not respond as much as hoped to expansionary monetary policy undertaken by the Fed. Producers and households, pessimistic about the future, are not likely to be as sensitive to lower interest rates at the outset of 1991 as they would be in less troublesome times. As a result, it is possible that the tax hikes and spending cuts will simply weaken the already sluggish national economy. In sum, events on the national scale will dictate to a large extent the length and severity of the recession in Tennessee.

Tennessee Employment

The Tennessee unemployment rate rose in December to a seasonally adjusted annual rate of 6.2 percent, continuing an upward drift. This follows rates of 5.9 and 5.7 percent in October and November, respectively. The latest figure is slightly above the 1989 average level of 5.1 percent. It is interesting to note that the Tennessee jobless rate rose above the national rate, which was 6.1 percent (SAAR) in December.

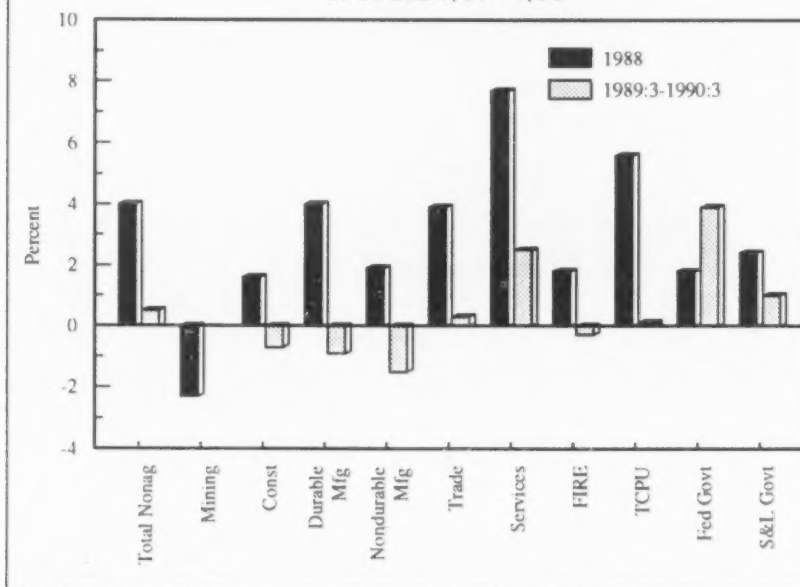
Nonagricultural employment in Tennessee fell in November for the third month in a row. This trend has nearly wiped out gains made in the first half of 1990. Nonagricultural employment stands virtually unchanged from November, 1989, and is considerably off from growth rates of 4 percent and 3 percent in 1988 and 1989, respectively. (See Figure 2.3.) The U.S. economy has also experienced a recent downward trend in non-agricultural employment, suffering five straight months of decline from July to November; nevertheless, national employment has performed somewhat better than Tennessee over the 1989:3-1990:3 period. Almost one quarter of nonagricultural employment in Tennessee is in the manufacturing sector. After moderate gains in 1988 and 1989, Tennessee manufacturing jobs are declining. Third quarter 1990 manufacturing employment fell for the second consecutive quarter, and is down by 1.25 percent from 1989:3. This also parallels a downward trend on the national scale.

Helping to offset the loss of jobs in the manufacturing sector has been moderate growth of employment in services. Service sector employment—which accounts for over 20 percent of nonagricultural unemployment—has risen by 2.5 percent since the third quarter of 1989. However, it is important to note that this rate of growth is significantly less than it was over the 1987-89 period, in which seasonally adjusted service employment rose on average over 6 percent per year.

Wholesale and retail trade sector employment also constitutes about 20 percent of nonagricultural employment. After gains in the three previous

*Nonagricultural
employment in
Tennessee fell in
October for the
second month in a
row. This trend has
nearly wiped out
gains made in the
first half of 1990.*

FIGURE 2.3
Nonagricultural Employment by Industry
1988 and 9/89 - 9/90



years, 1990 will reveal almost no change in jobs in this sector since third quarter trade employment is nearly unchanged from 1989:3.

Government employment, the fourth largest component of total non-agricultural employment, is exhibiting slight growth in 1990. Federal civilian employment rebounded in 1990 after layoffs caused a reduction in federal jobs in Tennessee of almost 3 percent in 1989. Federal job growth is up 3.9 percent in 1990:3 from 1989:3. Much of this increase reflects temporary Federal hiring for work on the 1990 Census. More significant, however, is employment on the state and local levels, which makes up over three quarters of total government employment in Tennessee. State and local employment was up in the third quarter almost 1 percent (SAAR) compared to 1989:3. This rate of growth is somewhat lower than the 3 percent growth in 1989.

Two sectors which are a source of concern are construction and finance, insurance, and real estate (FIRE). Both sectors show a slight drop in employment from 1989:3 to 1990:3. Construction employment fell in the second and third quarters of 1990, offsetting gains made in the first quarter: the expectation is that final numbers will reveal a very small increase in construction employment for 1990 as a whole. Meanwhile, the S&L crisis and the threat of similar difficulties in commercial banking have thrown the financial sector into anxious times nationwide. The ef-

fects are being felt in Tennessee. Strong FIRE job growth in 1987 has gradually dissipated. After very slight employment growth in 1989, employment will evidently post a small decline in 1990. Job loss in this sector may become more serious if the S&L and banking problems—which have so far been most pronounced in the Southwest—continue to intensify and spill over into the Southeast.

Sales

Nominal growth in Tennessee taxable sales fell at a seasonally adjusted annual rate of 4.4 percent in the third quarter of 1990, though sales were 1.5 percent higher than 1989:3. Final 1990 sales growth will fall well short of the 1987-89 average growth rate of 5.3 percent. The third quarter decline was broadly based. Auto dealers continued to be hit hard by declining sales, as they were in 1989. Sales of miscellaneous durables (including furniture, wholesale durables, building materials)—the third largest category of Tennessee taxable sales—dropped 14.3 percent (SAAR) in 1990:3. This is down 3 percent from 1989:3.

SHORT-TERM FORECAST

The short-term Tennessee economic forecast calls for a relatively brief recession in the last half of 1990, followed by a gradual, feeble recovery in 1991. (See Table 2.2.) If it materializes, the recovery during 1991 should just about offset the negative effects of the slump, so the expectation for 1991 is approximately the same level of economic activity as for 1990: essentially zero growth. The forecast also predicts a fairly short, mild downturn in the U.S. economy at the end of 1990, extending into the first quarter of 1991. The subsequent recovery will generate very slight U.S. economic growth in 1991. As mentioned previously, the state of the Tennessee economy is critically influenced by U.S. economic conditions. A longer, deeper nationwide recession would jeopardize hopes for even the meager recovery forecasted for Tennessee in 1991. The volatile Persian Gulf situation remains a particular source of vulnerability and could extend the current pessimism and uncertainty well into 1991. A quick resolution of the crisis would eliminate much of the uncertainty; household and business spending would most likely increase, stimulating greater economic growth in 1991 and 1992 than predicted. But the effects of a long and extensive war are, of course, difficult to predict. Inflation will undoubtedly rise dramatically as a consequence of skyrocketing oil prices, while increased military expenditures will have a stimulative effect on the economy. In any event, extensive military conflict would substantially alter the current economic forecast.

TABLE 2.2
Tennessee Econometric Model December 1990 Update
Selected U.S. And Tennessee Economic Indicators
Seasonally Adjusted

22

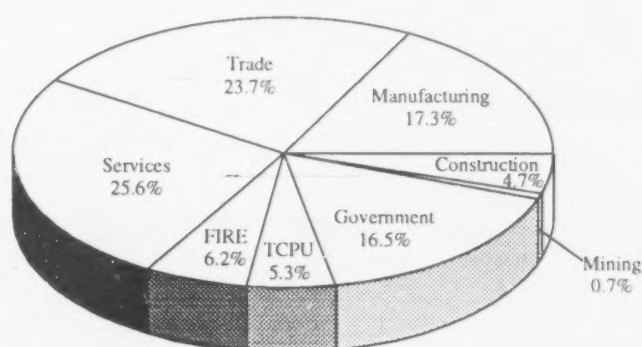
	HISTORY		FORECAST - DATA									ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992
US GNP (BIL82\$) SAAR	4155.1	4173.7	4160.2	4149.0	4163.3	4192.6	4223.1	4254.8	4283.4	4311.7	4340.7	4159.9	4182.0	4297.6
% CHG PREV QTR SAAR	0.43	1.80	-1.29	-1.06	1.38	2.85	2.94	3.04	2.71	2.67	2.71	1.02	0.53	2.77
% CHG SAME QTR LAST YR	1.04	1.07	0.65	-0.04	0.20	0.45	1.51	2.55	2.89	2.84	2.78	1.02	0.53	2.77
US PERS CONS DEFL (1982=100).....	135.2	136.9	139.7	141.5	142.8	144.2	145.7	147.2	148.5	150.0	151.6	136.5	143.6	149.3
% CHG PREV QTR SAAR	3.63	5.20	8.40	5.26	3.80	3.96	4.25	4.02	3.70	4.06	4.37	5.09	5.22	4.01
% CHG SAME QTR LAST YR	4.40	5.16	6.00	5.61	5.65	5.34	4.32	4.01	3.98	4.01	4.04	5.09	5.22	4.01
TN PERSONAL INCOME (MIL82\$) SAAR	56288	55883	55218	55325	55517	55839	56198	56746	57114	57520	57949	55918	55720	57332
% CHG PREV QTR SAAR	0.03	-2.85	-4.68	0.78	1.39	2.34	2.60	3.96	2.62	2.88	3.02	0.03	-0.35	2.89
% CHG SAME QTR LAST YR	0.94	-0.26	-1.45	-1.70	-1.37	-0.08	1.78	2.57	2.88	3.01	3.12	0.03	-0.35	2.89
TN PERSONAL INCOME (MIL\$) SAAR	76101	76517	77146	78293	79300	80538	81904	83520	84828	86287	87865	76296	80009	85625
% CHG PREV QTR SAAR	3.66	2.20	3.33	6.08	5.24	6.39	6.96	8.13	6.41	7.06	7.52	5.11	4.87	7.02
% CHG SAME QTR LAST YR	5.38	4.89	4.46	3.81	4.20	5.26	6.17	6.68	6.97	7.14	7.28	5.11	4.87	7.02
US PERSONAL INCOME (BIL82\$) SAAR.....	3418.8	3416.3	3379.2	3276.4	3385.8	3403.6	3423.7	3456.6	3479.3	3502.6	3527.0	3404.8	3397.4	3491.4
% CHG PREV QTR SAAR	1.62	-0.29	-4.27	-0.33	1.12	2.12	2.38	3.89	2.66	2.71	2.81	0.84	-0.22	2.77
% CHG SAME QTR LAST YR	1.48	1.03	-0.35	-0.84	-0.96	-0.37	1.32	2.37	2.76	2.91	3.02	0.84	-0.22	2.77
TN NONAGRIC JOBS (THOUS).....	2175.0	2173.8	2166.3	2171.6	2177.8	2188.8	2201.8	2212.6	2224.0	2235.6	2247.4	2176.1	2185.0	2229.9
% CHG PREV QTR SAAR	-2.57	-0.23	-1.37	0.98	1.15	2.04	2.39	1.97	2.07	2.11	2.14	1.06	0.41	2.05
% CHG SAME QTR LAST YR	1.14	0.49	-0.07	-0.81	0.13	0.69	1.64	1.89	2.12	2.14	2.07	1.06	0.41	2.05
US NONAGRIC JOBS (MIL)	110.5	110.7	110.5	110.3	110.2	110.4	110.8	111.2	111.7	112.2	112.7	110.4	110.4	111.9
% CHG PREV QTR SAAR	2.31	0.40	-0.46	-0.88	-0.19	0.74	1.27	1.54	1.80	1.72	1.84	1.84	0.02	1.37
% CHG SAME QTR LAST YR	2.20	1.83	1.21	0.34	-0.29	-0.20	0.23	0.84	1.34	1.58	1.73	1.84	0.02	1.37
TN UNEMPLOYMENT RATE (%).....	4.9	5.1	5.8	6.4	6.5	6.6	6.4	6.4	6.4	6.3	6.3	5.2	6.5	6.4
US UNEMPLOYMENT RATE (%).....	5.3	5.6	5.9	6.4	6.8	6.9	6.9	6.9	6.8	6.7	6.6	5.5	6.8	6.7
BANK PRIME INTEREST RATE (%).....	10.0	10.0	9.8	9.5	9.7	10.0	10.0	10.0	10.0	10.0	10.0	9.9	9.8	10.0
TN MFG JOBS (THOUS).....	521.8	519.1	517.4	515.0	513.5	515.2	517.5	520.8	524.3	527.7	531.1	521.2	515.3	526.0
% CHG PREV QTR SAAR	-3.47	-2.02	-1.34	-1.78	-1.19	1.33	1.78	2.59	2.66	2.67	2.61	-0.49	-1.12	2.07
% CHG SAME QTR LAST YR	-0.46	-1.26	-1.51	-2.15	-1.58	-0.75	0.03	1.12	2.09	2.43	2.64	-0.49	-1.12	2.07
TN MFG AVG WEEKLY HOURS.....	38.7	39.5	39.1	39.4	39.5	39.5	39.5	39.5	39.5	39.6	39.6	39.0	39.5	39.6
% CHG PREV QTR SAAR	-2.02	8.31	-3.69	2.90	1.53	0.00	-0.08	-0.10	0.29	0.35	-0.12	-4.35	1.16	0.15
% CHG SAME QTR LAST YR	-6.03	-3.92	-1.82	1.27	2.17	0.15	1.08	0.34	0.03	0.12	0.11	-4.35	1.16	0.15
TN TAXABLE SALES (MIL\$).....	10406	10289	10285	10489	10655	10836	10976	11113	11275	11402	11574	41615	42955	45365
% CHG PREV QTR SAAR	-8.3	-4.4	-0.2	8.2	6.5	7.0	5.3	5.1	6.0	4.6	6.2	4.0	3.2	5.6
% CHG SAME QTR LAST YR	4.9	1.5	2.3	-1.4	2.4	5.3	6.7	5.9	5.8	5.2	5.5	4.0	3.2	5.6
TN TAXABLE SALES (MIL82\$).....	7697	7515	7361	7412	7459	7513	7531	7550	7592	7601	7633	30509	29915	30377
% CHG PREV QTR SAAR	-11.5	-9.1	-7.9	2.8	2.6	2.9	1.0	1.0	2.2	0.5	1.7	-1.0	-1.9	1.5
% CHG SAME QTR LAST YR	-0.4	-3.5	-3.5	-6.6	-3.1	0.0	2.3	1.9	1.8	1.2	1.4	-1.0	-1.9	1.5

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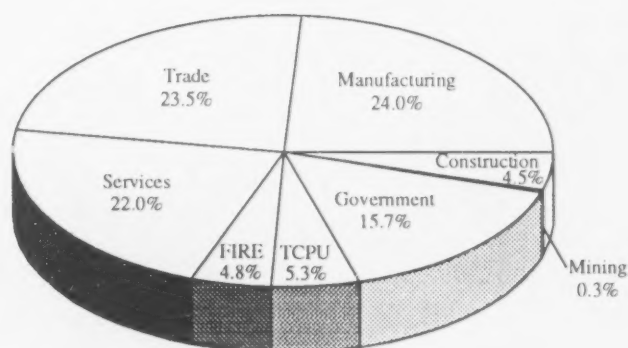
Tennessee's Economic Structure

Historically, the Tennessee economy has been characterized by a greater concentration in manufacturing employment in contrast to the U.S. as a whole. While in recent years Tennessee has followed the national shift away from manufacturing toward greater service sector employment, manufacturing continues to be the largest single source of nonagricultural employment in the state. This is illustrated by Figure 2.4, which shows nonagricultural job distribution by sector for both Tennessee and the U.S.

FIGURE 2.4
Nonagricultural Employment Distribution, Tennessee and U.S., 1990



U.S.



TN

Typically, manufacturing is more sensitive to cyclical variations than is the service sector; thus, during a downturn, manufacturing employment tends to fall before service sector employment, and the decline tends to be sharper. Conversely, a resurgent economy tends to be led by increases in manufacturing employment which precede and are greater than increases in service sector employment. As a result, we would normally expect Tennessee to be more vulnerable to the 1991 recession than the U.S. economy. While it is too early to be certain, some evidence suggests this expectation may again hold true. Nonagricultural employment in the state fell significantly in the second and third quarters of 1990, while U.S. nonagricultural employment growth remained positive over the same period. Furthermore, the forecast calls for an upturn in nonagricultural employment in the first quarter of 1991, whereas the U.S. is not expected to show a turnaround until the third quarter. Nevertheless, the overall Tennessee unemployment rate is expected to remain below the national average throughout 1991.

Personal Income

After an increase of about 5 percent in 1990, nominal Tennessee personal income will rise at essentially the same rate in 1991. However, higher inflation in late 1990 is expected to spill over into 1991, causing the same nominal income growth to correlate with lower real economic growth in 1991. Real (inflation-adjusted) personal income, after slight growth in the first quarter of 1990 and no growth in 1990:2, will display essentially no change for the year. The effects of the forecasted recession early in the year and the slow recovery will generate an estimated decline in real income of about 0.4 percent in 1991.

Inflation

Higher energy costs following the Iraqi invasion of Kuwait contributed to accelerated inflation in the third and fourth quarters of 1990. By mid-December, however, the benchmark crude oil price had—at least momentarily—stabilized well below the \$40 per barrel high which it had reached soon after the invasion. As a result, the inflation forecast for 1991 is 5.2 percent, about the same rate as 1990. The short-term outlook for inflation may change rapidly and dramatically, however, if the Persian Gulf war continues for very long and results in skyrocketing oil prices, triggering much higher rates of inflation.

Employment

Employment in Tennessee is particularly vulnerable as the recession persists and fighting continues in the Middle East. The current forecast is somewhat optimistic; even a mild worsening of the recession could cause higher unemployment rates and more employment losses. Currently, the

unemployment rate in Tennessee is expected to rise to 6.5 percent in 1991, up from 5.2 percent for 1990. The third quarter Tennessee unemployment rate is predicted to remain near the U.S. rate throughout 1991. Thus, the unemployment rate will rise in 1991 as the total number of unemployed persons increases over 6 percent from 1990, due to cyclical layoffs resulting from the slump in the Tennessee economy. Figure 2.5 compares Tennessee's unemployment rate during the current and past recessions.

Figure 2.6 shows the distribution of nonagricultural job growth and loss by sector for years 1990 and 1991. Overall, nonagricultural employment is predicted to rise very slowly throughout 1991 following declines in the third and fourth quarters of 1990, with construction, manufacturing, and mining all experiencing net job loss in 1991. It is worth noting that construction employment has been weak since 1987. After a 1.5 percent rise in 1988, construction job-growth was less than 1 percent in both 1989 and 1990. The recession will particularly affect construction in 1991; construction employment is expected to fall a steep 4.7 percent. To date, construction has been very slow for commercial and multi-family housing purposes. Construction of industrial and single-family housing buildings is likely to slide as well in the beginning of 1991. Mining, which constitutes only a small fraction of total employment, will continue to face job reductions in 1991 after posting a temporary gain in 1990.

After a moderate 2.2 percent average increase in job growth over the period 1987-89, manufacturing employment will experience two consecutive years of decline. Total manufacturing employment is expected to fall over 1 percent in 1991; the rate of decline will be greater for nondurable manufacturing employment than in durable manufacturing employment. The declines in two categories of nondurable goods manufacturing employment—apparel and textiles—do not simply reflect the cyclical effects of the 1991 downturn. Rather, these industries had been experiencing downward trends in employment even prior to the recession. Meanwhile, one of the few categories of durable goods manufacturing employment forecasted to increase in 1991 is transportation equipment. This is largely traceable to recent plant openings and employment commitments made by Saturn and Nissan.

Only the service sector is expected to make significant employment gains in 1991. The growth in service jobs will be a fairly strong 3 percent in 1991, after a 2.7 percent rise in 1990. However, these increases are notably less than the 6.5 percent average rate of growth over the period 1987-89. FIRE and federal, state, and local government employment will enjoy slight job growth of close to 1 percent in 1991.

FIGURE 2.5
Unemployment Rates
Past Recessions and 1990:3 - 1992:3 Forecast

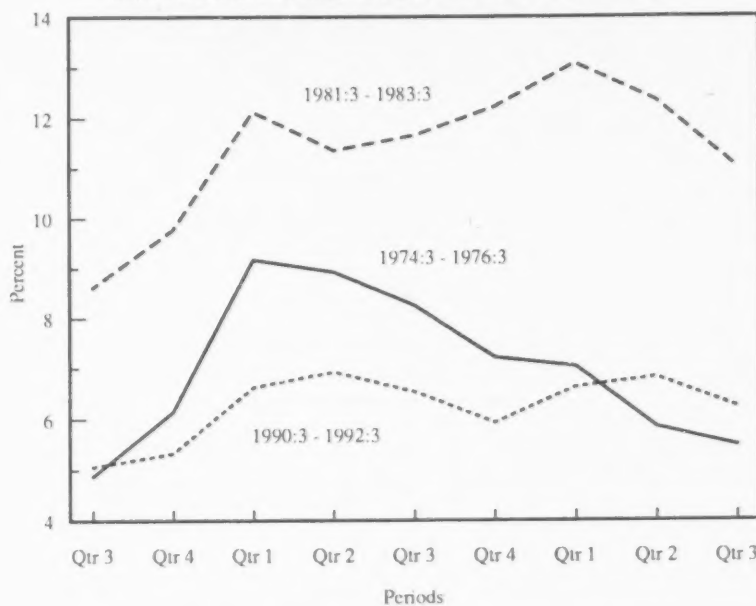
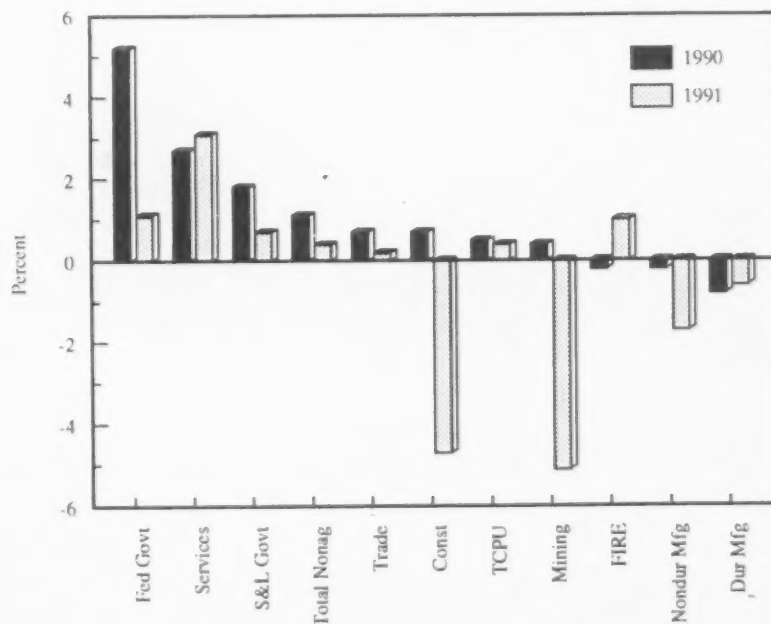


FIGURE 2.6
Tennessee Nonagricultural Employment Growth by Sector
1990 and 1991 Forecasts



Sales

Nominal sales will rise 3.2 percent in 1991 after a 4 percent gain in 1990. (See Figure 2.7.) However, it is desirable to abstract from nominal sales growth the effect of higher prices, particularly in light of the higher inflation rates expected in 1991. All of the nominal sales growth will reflect increased prices rather than the actual volume of goods sold. Real (inflation-adjusted) sales are forecasted to fall 2 percent in 1991. This constitutes a larger decline than the expected decrease in personal income because fluctuations in durable sales across the business cycle are more pronounced than fluctuations in income, since consumers postpone large purchases during recessions.

Output

Tennessee nominal gross state product (GSP) is forecasted to rise 4.87 percent in 1991; this is approximately the same rate of growth expected for 1990. These rates are lower in contrast to the 7.72 percent average growth rate exhibited over the five-year period 1985-89. Adjusting for inflation, real GSP growth for 1990 and 1991 is expected to be only 0.76 and 0.68 percent, respectively. This follows average real GSP growth of 4.55 percent over the period 1985-89.

Figure 2.8 shows real GSP growth by sector for years 1990 and 1991. Construction will display the most dramatic decline in output for these years. The largest sector, manufacturing, will exhibit slow growth, both in durable and in nondurable manufacturing. Only the service sector is expected to make significant gains in both 1990 and 1991; however, the forecasted growth rates for those years are substantially less than the 6.2 percent average rate of growth the service sector enjoyed over the 1985-89 period. Finally, agriculture, trade, and FIRE growth in 1990 and 1991 will be small, but positive. Again, the forecasted growth for these sectors will be notably less than their average growth rates over the period 1985-89.

TENNESSEE AGRICULTURE IN 1991

This year the Agriculture Sector will be profoundly affected by two major factors—the recently passed farm bill and the war in the Persian Gulf, either of which has the potential to change net farm income and shift agricultural production patterns.

The 1990 Farm Bill

The Food, Agriculture, Conservation, and Trade Act of 1990 contains several significant changes in policy, including triple-base, frozen-target

FIGURE 2.7
Nominal Taxable Sales
1991 Seasonally Adjusted Forecasted Growth Rates

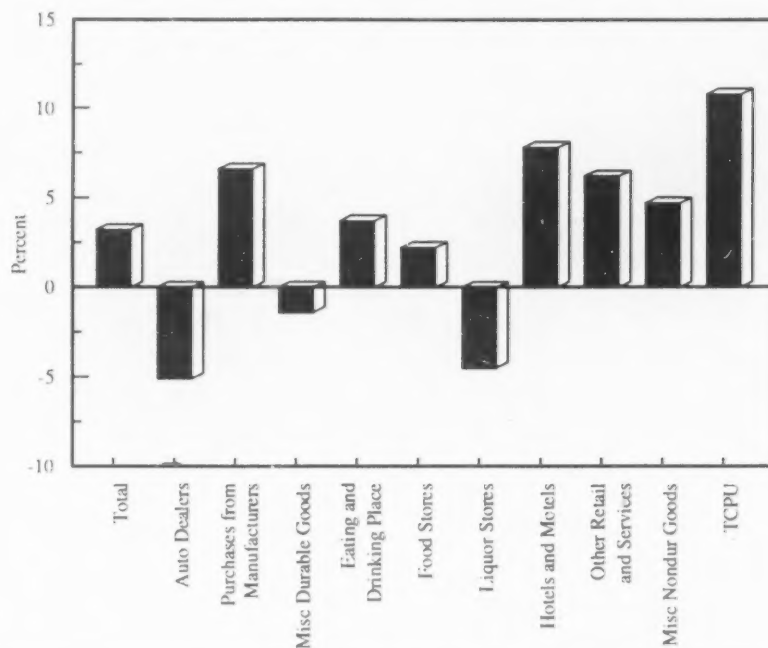
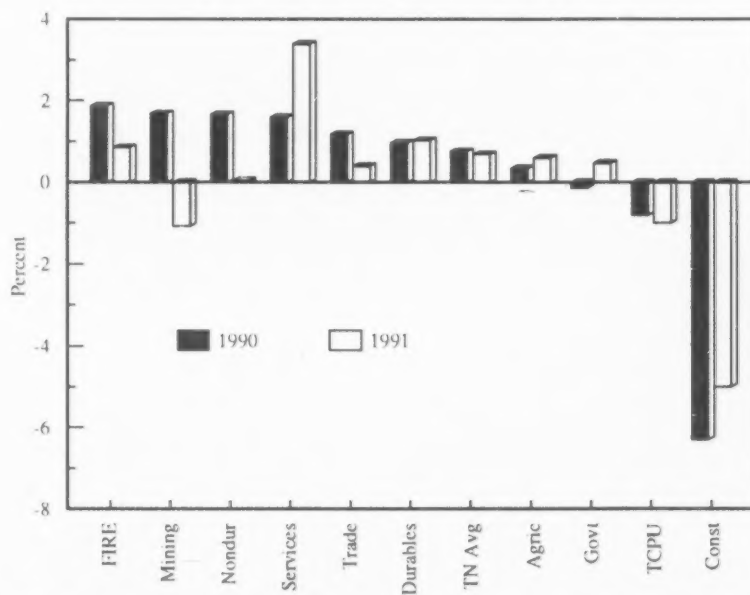


FIGURE 2.8
Tennessee Output Growth by Industry, 1990 and 1991



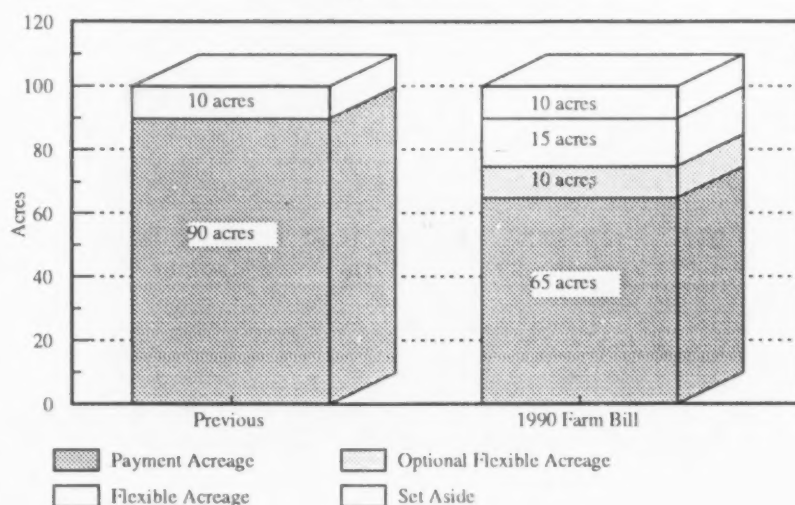
prices and adjustable loan rates, and continuation of environmental protection policies.

Triple base. Triple base has been introduced as a new method of determining payments for producers participating in government programs under which producers maintain the same program base acreage as before, but their payment acreage is reduced by 15 percent of the program base. Under previous policy, a producer's payment base was equal to the program base minus set-aside acreage (Figure 2.9). Now, the payment base acreage (on which a producer can receive deficiency payments) is reduced by an additional 15 percent of the program base. Any program or non-program crop except fruits and vegetables can be planted on this 15 percent of the program acreage, but it will be ineligible for deficiency payments. However, if the *base* crop is planted on this 15 percent, then loan benefits can be applied to the acreage.

In addition, 10 percent of the program base is "flexible." That is, that percentage may be planted in any program or non-program crop, except fruits and vegetables. If planted in a program crop other than the base crop, the acres are eligible for loan benefits, but not deficiency payments.

Agriculture Department and market analysts' studies foresee shifts in crop acreages due to the new flexibility of triple base. U.S. soybean acreage is expected to rise, as fewer acres are locked into program crops.

FIGURE 2.9
Examples of 100-Acre Crop Base
Before and After the 1990 Farm Bill
(assuming 10% of set aside)



However, soybean acreage is likely to decline in the South (where per-bushel production costs are higher) and shift to the Midwest. Cotton acreage may increase, corn acreage decrease, and wheat acreage remain stable, according to U.S.D.A studies.

Commodity policy. Target prices, the rate of compensation guaranteed to the farmer, for wheat, corn, cotton, and rice, are frozen at 1990 levels for the five-year period, 1991-1995. Crop deficiency payments for 1994-95, the government payment required to attain the target price, will be calculated on a 12-month rather than a 5-month basis. That is, crop deficiency payments will equal the target price, minus a 12-month average of market prices. Therefore, government payments on commodity programs for participating farmers will likely be lower than under previous policy.

A new oilseed marketing loan was established for soybeans at \$5.02 per bushel, with a 2 percent loan origination fee. Loans for other oilseeds may be established at comparable rates, as designated by the Secretary of Agriculture. Thus, a price floor for soybeans has been established.

Milk support prices are set at a floor of \$10.10 per hundredweight, with producer assessments of 5 cents per hundredweight in 1991, and 11 cents from 1992 through 1995.

Environmental policy. As with previous farm bills, environmental and conservation issues are addressed in the 1990 farm bill. The Conservation Reserve Program (CRP), initiated in the 1985 Food Security Act, is extended so that a minimum 40-million acre enrollment is achieved. The environmental subtitle also includes major new incentives to encourage tree planting. A wetland reserve of up to one million acres shall be established, and a water quality incentive program will encourage producers to prevent contamination of ground and surface water on 10 million acres. Another incentive and assistance program is initiated for forestry protection.

Finally, the bill introduces nationwide standards for organically grown crops as well as guidelines for coordination of state programs for monitoring organic production.

The Persian Gulf Crisis

Higher oil prices in late 1990, caused by the Persian Gulf Crisis, brought a rise in farm fuel costs, thus reducing net farm income for 1990. Input costs will probably rise into 1991, even if oil prices stabilize. Costs of fertilizers and pesticides, applied in greatest volume in the spring,

will exceed 1990 levels, pushing expenses higher for 1991. Machinery use is also heaviest in spring, so if oil prices are high in early 1991, then greater farm fuel cost increases will occur than in the fall of 1990. U.S.D.A. forecasts that \$30-per barrel oil in 1991 would increase manufactured input expenses (fuels, electricity, fertilizer, and pesticides) 6 to 7 percent over costs of oil at \$20 per barrel. Forty-dollar-per barrel oil would cause these costs to be 12 to 13 percent higher than at \$20 per barrel oil.

In addition to driving up farm expenses, the war has closed some markets for U.S. agricultural products and could have a considerable effect on exports of certain commodities. For instance, Iraq was the eighth largest market for U.S. wheat in 1989-90, importing about 3 percent of U.S. wheat and flour exports.

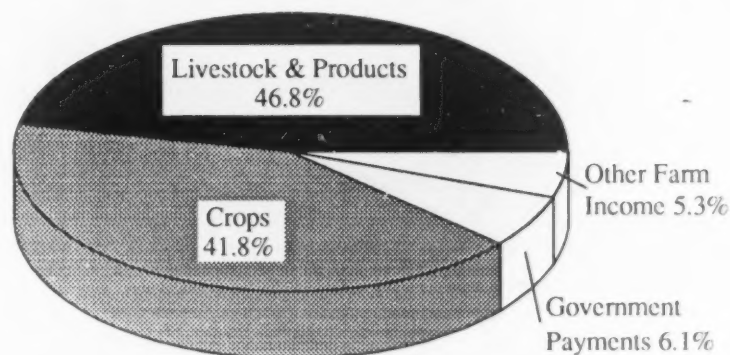
COMMODITY OUTLOOK

The primary crops grown in Tennessee include corn, cotton, greenhouse/nursery, soybeans, tobacco, and wheat. Livestock continues to be a major component of Tennessee agriculture, with beef cow-calf, dairy, and swine industries making significant contributions to the agricultural sector's income. In 1988, cash receipts from farm marketings in Tennessee totaled 2,308 million dollars, with 42 percent from crop production, 47 percent from livestock enterprises, and the remainder from government payments and other sources (see Figure 2.10).

Corn. Hot, dry summer weather in Tennessee caused a drop in corn yield in 1990 to about 82 bushels per acre. This followed two straight record-yielding seasons and a five-year average of 89 bushels per acre. In spite of the two record-yielding years, corn inventory in Tennessee grain elevators is the lowest in five years. Overall production is also down approximately 28% to 41 million bushels on 500,000 acres.

Drought reduced the corn crop throughout much of the Southeast in 1990, but Corn Belt production was not as adversely affected by the wet season there as anticipated. In fact, U.S. record corn yields are expected, with total production forecast 8 percent above the previous year. The additional production will almost offset last year's drop in stocks. Exports will be down considerably due to good crops in the Soviet Union and elsewhere as well as to competitively priced wheat. Therefore, prices cannot be expected to be substantially higher than for the 1989 crop. U.S.D.A. forecasts farm prices to average from \$2.10-\$2.50 per bushel for the season, compared with last year's \$2.38.

FIGURE 2.10
Sources of Cash Receipts
from Tennessee Farm Marketings, 1988



Total cash receipts were 2.05 billion dollars.
Source: Tennessee Agriculture, 1990.

Cotton. Tennessee's 1990 cotton crop had a tremendous start, with the greatest production in 25 years predicted August 1. However, an extremely dry August prevented proper boll development in many parts of the state. As a result, a below-average per-acre yield of approximately 457 pounds was harvested. Because of a 14 percent increase in planted acreage for 1990, the state's production of half a million bales still exceeded 1989's 476,000 bales.

Though 1990 Southeast yields were down because of drought, U.S. yields elsewhere were above 1989 levels. Higher yields, combined with increased acreage, resulted in 21 percent greater U.S. production than in 1989. Foreign production was also up, about 9 percent, to its second highest level ever. Yet, cotton stocks are lower than ever before, as demand for cotton fiber has also increased.

Throughout the 1980s, U.S. consumers displayed an ever-increasing preference for cotton. Because of the increased demand, the cotton market looks to remain strong in general, with relatively high prices. In response, cotton acreage is expected to rise in 1991. U.S. cotton consumption could be weakened by recession, reducing cotton demand and prices somewhat. On the other hand, higher oil prices could increase prices of competing synthetic fibers, thus strengthening cotton demand. In general, the cotton

outlook is favorable, with uncertain demand fluctuations possible, depending on oil costs and economic recession.

Greenhouse/Nursery industry. Tennessee's greenhouse/nursery industry is now being recognized as a major agronomic enterprise. According to U.S.D.A. figures, marketings of greenhouse/nursery crops exceeded those of any other crop in Tennessee in 1989. In addition, Tennessee is the leading state in the U.S. nursery industry, with approximately 49,000 acres devoted to that industry. The five-county area surrounding McMinnville contains the highest concentration of field nursery production in the world.

Expanding demand for nursery products has created a favorable environment for growth. Based on information provided in this year's *Tennessee Agriculture*, greenhouse and nursery operations are expected to increase the area devoted to production by approximately 3.5 and 2.5 percent, respectively. During the 1980s, gross receipts from this industry have been extremely variable, ranging from 132 million dollars in 1980 to 193 million dollars in 1984. While variability is expected to continue, cash receipts in 1991 are expected to be approximately 170 million dollars. The effect of a recession on this industry is somewhat uncertain. Reduction in housing starts will likely reduce nursery sales for new landscapes. However, history has shown this reduction is offset to some degree, as homeowners invest time and money in their own landscaping for recreation, in place of more expensive diversions.

Soybeans. Tennessee soybean yields were variable throughout the state in 1990, with average yields estimated at 26 bushels per acre. Late summer/early fall moisture helped late-planted and double-crop beans but came too late for others. Also, growers in eastern and northwestern Tennessee produced good crops in general, while Middle Tennessee producers had a below-average year. Acreage was up about 10,000 acres—to 1.25 million, and total production rose approximately nine percent to around 32.5 million bushels. U.S. acreage and production were down slightly with good yields overall.

The soybean supply-demand situation looks to be well balanced. Modest price increases are currently forecast for U.S. beans due to strong demand and reductions in carryover and South American production. However, the planting flexibility provided by the new farm bill could result in additional supplies planted in the corn/soybean regions of the U.S. and drive prices downward. This impact should not be significant in the initial year of the new farm bill; however, U.S.D.A. studies indicate that a shift of soybean acreage out of the Southeast is likely.

Burley tobacco. Favorable weather conditions throughout the growing season brought higher burley tobacco yields as well as a good quality crop. An estimated yield of 2200 pounds per acre, the highest since 1978, pushed 1990 Tennessee burley production to approximately 85.8 million pounds, produced on 39,000 acres. Production on the 39,000 acres was up about one-third from 1989, yet will meet only about 78 percent of basic quota and just over 50 percent of effective quota (basic quota plus carryover) for the state. Support price will average \$1.558 per pound, up 2.6 cents from 1989.

U.S. consumption of all tobacco fell 18 percent between 1981 and 1990. However, exports are rising, with cigarette exports up 171 percent from 1981 to 1989. Fewer restrictions in the Far East have expanded markets there. For instance, in October of 1990, Thailand lifted a 10-year ban on cigarette imports. In addition, trade with the U.S.S.R. and Eastern European countries should increase export demand as they move toward more market-oriented systems. As a result, growth in U.S. tobacco export demand should outpace the decline in the domestic market, thus providing future markets for U.S. tobacco, in spite of reduction in domestic consumption.

The year 1990 marks the fifth consecutive year U.S. burley production has fallen considerably below effective quota levels. Restrictions on leasing and transferring quotas across county lines, along with tight labor supplies, have kept production down. As a result, the quota growing system may ultimately be modified to allow freer quota transfer and leasing. Actual adjustments are not likely to appear in the coming crop year.

Wheat. After two prosperous years of wheat production in Tennessee, farmers increased wheat acreage by 9 percent to 490,000 acres in 1990. However, spring cold snaps, excessive rainfall, disease, and pests caused yields of about 34 bushels per acre, well below the ten-year average of 38.8 bushels per acre.

Meanwhile, U.S. yields were up, and production was the third highest ever. In addition, total world wheat production will probably reach a record level, reducing U.S. exports. Relatively low prices will allow livestock producers to increase their use of wheat for feed. This larger domestic feed use may nearly offset the loss of exports. Nonetheless, wheat prices should remain weak. U.S.D.A. farm price forecasts for wheat indicate a reduction in price of \$1.00 per bushel below that received by farmers in 1989. Set-aside acreage for wheat in 1991 will be 15 percent,

keeping acreage and production down, but this past season's large supply will maintain low prices.

Livestock Production

Beef. Cattle producers have faced favorable markets with strong prices over the past year. In addition, forage and hay yields and quality improved for many producers, thus widening profit margins. Hay yields were at record levels in 1990 for the second year in a row, though total production was down from 1989. Of course, some parts of the state were relatively dry late in the season and may have dipped into hay supplies sooner than hoped.

The U.S. cattle herd is expected to show slow growth in the coming year. Reduced slaughter of females and bulls indicates this herd expansion. Nonetheless, U.S.D.A. foresees strong prices again in 1991, possibly posting modest gains. This is partly due to declining feed costs, the result of large feed grain stocks in the U.S. and abroad.

Retail prices may remain at or near their 1990 levels. Uncertainty about the economy and oil prices could cause price reductions. In addition, large poultry supplies and increasing pork production may also force retail beef prices down.

Hogs and pigs. Pork producers have also experienced favorable net returns in the past year. Prices increased for slaughter hogs in the latter part of 1990 in response to reduced supplies, as gilts were retained in the herd. Thus, cautious herd expansion has begun and is expected to continue through 1991.

Anticipated higher pig prices and low feed costs in early 1991 should perpetuate profitability of feeder pigs. Herd expansion throughout 1991 will eventually force hog and pig prices to decrease. However, the large grain supplies of the past season and resulting lower costs should allow modest returns to continue.

Pork storage is low, so increased production is expected to lower retail prices only slightly. Additional retail price pressure will come from greater supplies of poultry and beef.

Dairy. Milk cows on farms and milk per cow in Tennessee both increased in 1990, resulting in increased milk production throughout most of the year. Producers fed about the same amount of grain concentrates per

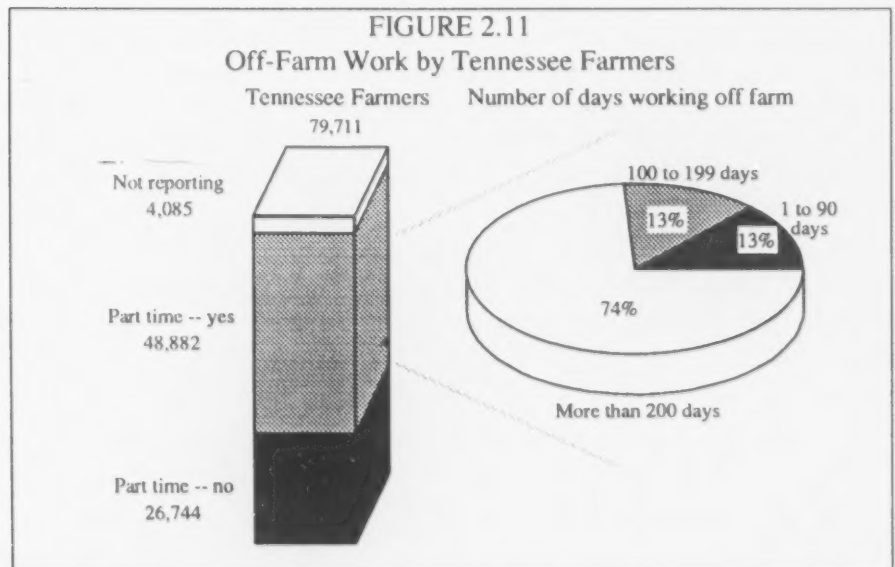
cow to achieve this increased production and paid less for it than in the previous year.

Profits improved for dairy producers in 1990 due to higher milk prices and ample feed supplies. Therefore, Tennessee and U.S. dairy producers are expanding their herds. Herd expansion, combined with steady growth in milk per cow, will increase milk production throughout most or all of 1991. Feed costs should remain favorable, and quality forage should be readily available, further boosting milk supplies.

Commercial use is predicted to increase for 1991 as well. However, these commercial sales are not expected to keep up with the augmented supply. Consequently, milk prices will not be able to maintain the higher levels and will probably weaken in latter 1991.

The Tennessee Farmer and Off-Farm Income

The average size of farms in Tennessee in 1987 was 147 acres, compared to 462 acres for the entire United States. Based on Census data, 72 percent of the farms in Tennessee had farm sales of \$10,000 or less, and over fifty percent of the state's farmers work more than 200 days per year off the farm (Figure 2.11). With the downsizing of government programs and the substantial production capabilities of the nation, increasing employment alternatives in rural communities will be extremely important during the next five years. ■



CHAPTER 3

THE LONG-TERM OUTLOOK FOR TENNESSEE

The long-term forecast, which extends from 1990 to 1999, is based largely on historical patterns of economic growth and transition. Although history exhibits patterns of economic growth and decline, it is exceedingly difficult to forecast business cycle patterns, since they typically result from unanticipated shocks to the economy. In the forecast presented below, the current slowdown in economic activity is projected to continue through the early part of 1991. For the remainder of the long-term forecast period, however, economic growth is projected to be modest and stable. Nonetheless, as discussed below, the economy is currently exposed to a series of risk factors, such as the poor health of the banking and insurance industries, that may cause the performance of the state economy to deviate from these projected trends.

Additional insights on a long-term forecast can be obtained by placing the forecast in a historical perspective, which provides a benchmark for comparing projected patterns of growth. Historical considerations are also important in revealing accomplishments and identifying issues that must be addressed in the future. In the first section below, a historical overview of the state economy is presented, focusing on key changes that have taken place in the Tennessee economy over the course of the last three decades. The second section discusses the detailed long-term economic forecast for the state.

A HISTORICAL PERSPECTIVE

Tennessee has come a long way in the last thirty years and will likely witness more rapid and dramatic change as the economy approaches the turn of the century. There has been a significant restructuring of the state economy, major demographic changes have taken place, government has expanded in size and scope, and the state is increasingly being integrated into the broader world economy. In general, these changes have benefitted the state and its residents by expanding individual opportunity and increasing citizen welfare.

Demographic Changes

Between 1960 and 1990, the state's population grew from nearly 3.6 million to almost 5 million, reflecting a 38.9 percent increase. (Population growth for the U.S. over this same time period was 37.1 percent.) Growth in population has been an important source of economic growth, as the

The current slowdown in economic activity is projected to continue through the early part of 1991. For the remainder of the long-term forecast period, however, economic growth is projected to be modest and stable.

population increases have translated into increases in the state's labor force. In 1960, there were 924,000 nonagricultural jobs in the state; by 1989, the number of jobs had increased to nearly 2.2 million. Population growth is not expected to be as strong through the 1990s, and other sources of economic growth for the state must be identified. Prime candidates include a better quality work force and new technologies to enhance productivity growth.

Accompanying the growth in population has been an aging of the state's population. In 1965, 8.7 percent of the state's population was over age 65. By 1990, this figure had risen to 12.8 percent. Forecasts suggest that by the year 2000, 13.5 percent of all state residents will be over age 65. This will have a number of important implications for the state, including effects on health care delivery systems for the aged and impacts on retirement communities.

The state's rural orientation has also changed in the last three decades. In 1960, 47.7 percent of the state's population was categorized as rural. In 1970, the rural share of state population had fallen to 40.9 percent. Less dramatic declines have taken place more recently. Despite the trend towards increased urbanization, large areas of the state remain predominantly rural, and many of these regions have experienced inadequate economic development. In particular, those rural counties that are not contiguous to a metropolitan statistical area have grown very slowly, and in many instances they have contracted (see Chapter 4). A major issue confronting state policymakers is how to enhance the economic development of such regions.

An important barometer of quality of life and work force skill is educational attainment. The state has made significant progress in upgrading both basic and higher education, although there remains room for considerable improvement. In 1960, median years of educational attainment (for those age 25 and older) was 8.8, rising to 10.6 years in 1970 and 12.2 years in 1980. (These figures reflect the educational attainment of residents, some of whom were educated out of state.) Despite this improvement, the state consistently ranks low in the Southeast and across the U.S. in terms of various measures of educational performance. For example, in 1987-88, the state ranked twenty-third out of twenty-eight states that relied on the ACT college entrance exam. The state also consistently ranks near the bottom in terms of primary and secondary education spending per pupil. One of the most important public policy issues of this decade will be to provide further improvements and refinements to the state's system of education and ensure that all students have the skills and flexibility to adapt to a changing world. These provisions will be essential to the

economic development of the state and the economic welfare of the state's residents.

Family structure and the labor force participation of women have changed significantly over time. In 1960, average household size in Tennessee was 3.6 persons. By 1985, there were, on average, 2.65 persons per household. In 1980, both the husband and wife worked in 52 percent of U.S. families, and by 1988 this figure had risen to 63 percent. The number of single-parent homes has increased 23 percent in the U.S. during the 1980s alone.

Female labor force participation rates have shown a steady increase, although rates of growth in female labor force participation are expected to diminish somewhat through the 1990s. Nonetheless, over the next decade, women will account for two-thirds of the net increase in jobs for the U.S. economy. For the U.S. as a whole, 35.7 percent of all females capable of working were labor force participants in 1960; by 1980, this rate had increased to 51.7 percent. In Tennessee, between 1980 and 1987, the labor force participation rate of females increased from 49.5 percent to 54.5 percent.

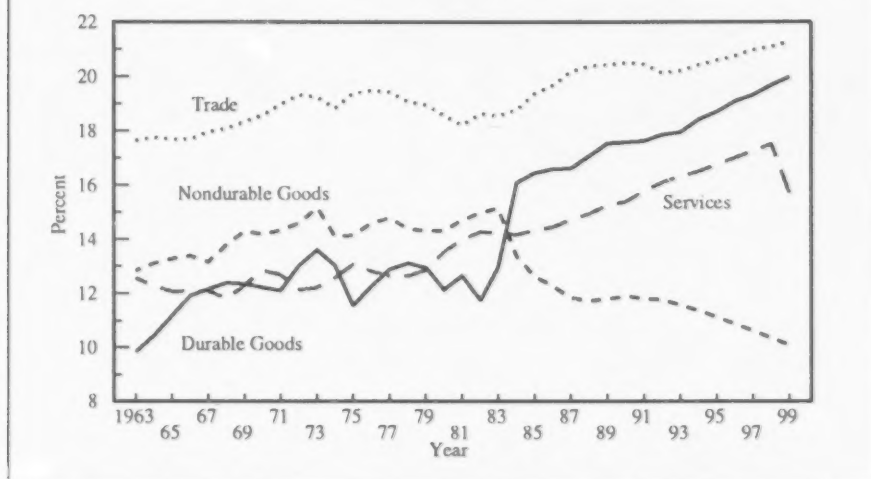
The typical family in Tennessee is now smaller, the number of single-parent households has increased, and it is more common to observe dual earners in the traditional family unit. It has become increasingly important to meet the changing needs of the family to ensure that those with the desire can acquire gainful employment. The new workfare initiatives implemented in other states (such as California and Massachusetts) may hold promise by overcoming the narrowness and inherent weakness of traditional welfare programs. Child care assistance is also crucial to many families, and expanded resources are now available to child care providers through the \$2.5 billion federal Child Care and Development Block Grant and the State's Child Care Loan Guarantee program.

Changes in the Economy

One of the most important economic changes that has taken place in the state has been the restructuring of industry in terms of output and employment. In Figure 3.1, a line chart is presented illustrating the percent distribution of nonagricultural gross state product for four key sectors for the period 1963 to 1990—durable goods manufacturing, nondurable goods manufacturing, trade (wholesale and retail) and services. Nondurable goods manufacturing accounted for 12.8 percent of all state (non-agricultural) output in 1963 and exhibited modest growth in relative importance until peaking in 1983 at 15.2 percent. In 1984 the relative share of output began to fall, declining to under 12 percent after 1986.

Female labor force participation rates have shown a steady increase, although rates of growth in female labor force participation are expected to diminish somewhat through the 1990s. Nonetheless, over the next decade, women will account for two-thirds of the net increase in jobs for the U.S. economy.

FIGURE 3.1
Tennessee Nonagricultural Output by Sector
(Percent)

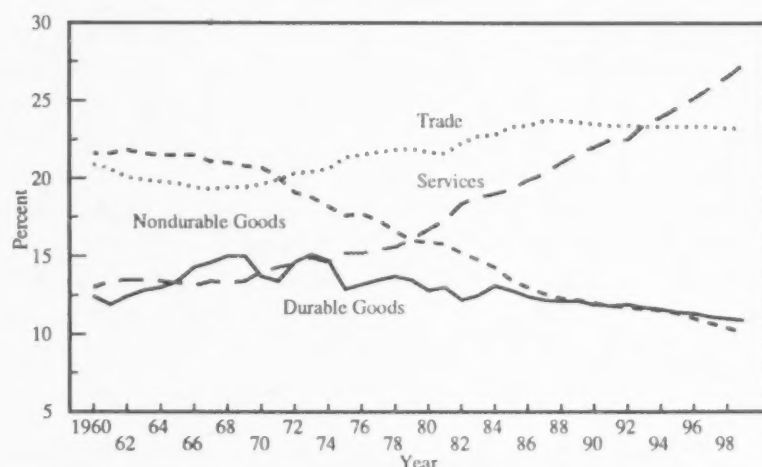


Durable goods manufacturing has grown in relative importance, from 9.8 percent in 1963 to 12.1 percent in 1980. Growth following the recession of 1982 was particularly strong, and by 1990 durable goods production accounted for 17.6 percent of state output. Overall, manufacturing accounted for 22.6 percent of the state's nonagricultural output in 1963, rising to 29.4 percent by 1990. There is no evidence from these long-term data that the state is "de-industrializing."

Growth in the relative importance of the trade and services sector has been relatively steady over time. In 1963, trade accounted for 17.6 percent of state output, and services accounted for 12.6 percent. By 1990, the relative contributions increased to 20.5 and 15.4, respectively. Note that by this measure, service sector growth has been modest, though it has been very strong when measured by employment.

Structural change in the state economy is more evident in Figure 3.2, where the shares of (nonagricultural) employment for the same four sectors as discussed above are illustrated for the period 1960 to 1999. Combined, these four sectors accounted for 67.9 percent of all state nonagricultural jobs in 1960, rising slightly, to 69.4 percent in 1990. The relative share of state employment in nondurable goods manufacturing has fallen quite dramatically in the last three decades, from 21.6 percent of all state jobs in 1960 to 12.0 percent in 1990, and the decline is projected to continue through the 1990s. It is this trend that observers typically refer to when discussing structural change in Tennessee's economy. Note, however, that while the share of employment in nondurable goods manufactur-

FIGURE 3.2
Tennessee Nonagricultural Employment by Sector
(Percent)



ing has been declining (Figure 3.2), the share of state output produced by this same sector has not experienced the same decline (Figure 3.1). Moreover, between 1960 and 1990 the level of employment in this sector rose from 199,800 to 262,000. (Note that nondurable goods employment peaked in 1973 at 288,000.) Hence structural decline in nondurable goods manufacturing relates largely to its more dramatic decline in relative, as opposed to absolute, importance. (This will change through the decade of the 1990s as nondurable goods employment contracts to 258,000 by 1999.)

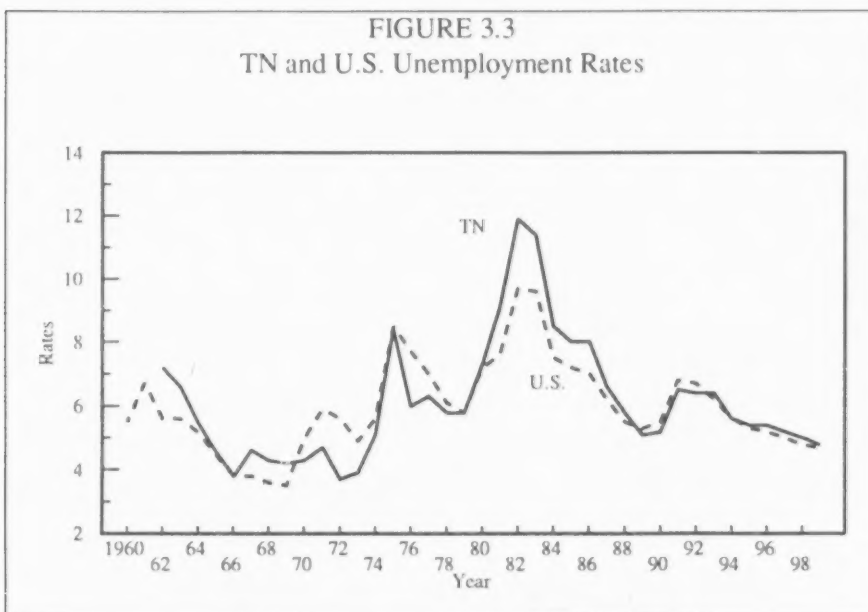
Durable goods employment constituted 12.4 percent of all state jobs in 1960, 13.4 percent in 1970 and 11.9 percent in 1990. During this same period, durable goods production has, as indicated by Figure 3.1, increased as a share of total state activity.

Employment in trade has risen slightly over time, from 20.9 of state employment in 1960 to 23.5 percent of state employment in 1990. Service sector employment has shown dramatic growth as a share of state employment, rising from 13.0 percent in 1960 to 22.0 percent in 1990. The level of services employment has increased from 120,300 in 1960 to 477,800 in 1990, and dramatic increases are projected for the long-term outlook period. Despite this strong growth in service sector employment, the share of output contributed by this sector has not increased nearly as rapidly (see Figure 3.1), suggesting limited productivity gains.

Figure 3.3 illustrates historical (and projected) rates of unemployment for the U.S. and Tennessee economies for the 1960 to 1999 period. As is

evident from Figure 3.3, Tennessee's cyclical unemployment pattern is similar to that of the U.S., although somewhat more exaggerated. Through the decade of the 1970s, the state tended to experience lower rates of unemployment than the nation as a whole. The experience of the 1980s was quite different, with the U.S. economy benefitting from relatively lower rates of unemployment than Tennessee. This reflects the fact that Tennessee was (and is) more manufacturing-oriented than the U.S. economy and has experienced more pronounced structural change and structural unemployment than the national economy, particularly in the nondurable goods sector. The expectation is that during the period of the 1990s the state's unemployment rate will more closely track national rates of unemployment. The improved performance of the state's unemployment rate reflects the exit of many inefficient firms from the economy and the elimination of many unstable jobs, as well as improved efficiency and adaptability on the part of those firms that remain.

FIGURE 3.3
TN and U.S. Unemployment Rates



A final economic consideration is the trend in income growth. In 1960, per capita personal income for the state was \$4,794 (in 1982 dollars). By 1970, it had increased to \$7,346, reflecting a 53.2 percent increase. During the decade of the 1970s, inflation-adjusted per capita income increased 26.2 percent to \$9,272. Growth was somewhat weaker during the 1980s, as per capita personal income grew 21.0 percent to \$11,217. (Growth through the forecast period is expected to be weaker still, increasing 15.5 percent to \$12,952.) The average annual wage of a Tennessee worker was \$12,387 in 1960 (in 1982 inflation-adjusted dollars). The average wage rose a total 18.3 percent during the decade of the 1960s, 29.3

percent for the 1970s, and at an anemic rate of 0.8 percent during the 1980s. Advancements in productivity will be needed to provide stronger gains in earnings and well-being.

THE LONG-TERM OUTLOOK

The long-term outlook for the state of Tennessee includes a continuation of the current economic slowdown through the early portion of 1991. After this, the economy is projected to grow at favorable rates for the remainder of the decade. The economy faces a number of risk factors that, if realized, could turn the current slowdown into a much deeper and broader recession or cause slowdowns in economic activity at a later point in the decade. There are a number of debt-related risks or problems, including the savings and loan crisis, weakness in the banking and insurance industries, related weaknesses in real estate and construction, and the federal budget deficit. There are also real and psychological risks associated with the war in the Persian Gulf. The inherent uncertainty associated with these factors makes it impossible to include them explicitly in the long-term forecast.

Selected Economic Indicators

Table 3.1 presents a number of key economic indicators for the U.S. and Tennessee economies for the long-term outlook period, 1990 to 1999. U.S. gross national product (GNP) will grow at a 2.4 percent compound annual rate (in inflation-adjusted terms), and gross state product (GSP) will grow at nearly a 3.2 percent compound annual rate (also in inflation-adjusted terms) over the forecast horizon. Following the current economic slowdown (i.e., after 1991), GNP growth will exceed 2.25 percent per year; annual growth in GSP is forecast to be about a percentage point higher than growth in GNP. The superior performance of the state economy versus the national economy is attributable to relatively higher rates of labor force growth and a relatively larger manufacturing base (where productivity advances are more pronounced) in Tennessee. While these rates of growth fall short of the rapid growth during the 1960s and early 1970s, they nonetheless indicate a strong and growing economy.

Inflation, as measured by the implicit price deflator, will accelerate only slightly relative to the recent experience of the late 1980s, increasing by approximately 4 to 4.5 percent per year over the forecast period. Inflation will be only marginally higher, as measured by the U.S. personal consumption deflator. (The personal consumption deflator is a narrower gauge of inflation relative to the implicit price deflator, which encompasses all goods and services.) The economy's ability to absorb price increases resulting from Iraq's invasion of Kuwait and the Federal Reserve's

The economy faces a number of risk factors that, if realized, could turn the current slowdown into a much deeper and broader recession or cause slowdowns in economic activity at a later point in the decade.

TABLE 3.1
Tennessee Econometric Model December 1990 Update
Selected U.S. And Tennessee Economic Indicators

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
US GNP (BIL 82 \$).....	4159.9	4182.0	4297.6	4419.8	4548.8	4673.2	4779.9	4897.0	5029.5	5161.3
PERCENTAGE CHANGE.....	1.02	0.53	2.77	2.84	2.92	2.74	2.28	2.45	2.71	2.62
TN GSP (MIL 82 \$).....	72430.2	73736.0	76547.1	78632.3	80832.4	82814.5	85010.5	87128.5	89563.8	92040.5
PERCENTAGE CHANGE.....	1.08	1.80	3.81	2.72	2.80	2.45	2.65	2.49	2.80	2.77
US GNP (BIL \$).....	5601.5	5999.5	6460.2	6909.4	7404.3	7913.1	8458.3	9032.9	9660.6	10316.8
PERCENTAGE CHANGE.....	6.74	7.11	7.68	6.95	7.16	6.87	6.89	6.79	6.95	6.79
TN GSP (MIL \$).....	94168.7	99833.6	107785.9	115387.8	123981.1	133008.5	142916.8	153374.9	164864.2	177188.3
PERCENTAGE CHANGE.....	5.14	6.02	7.97	7.05	7.45	7.28	7.45	7.32	7.49	7.48
IMPLICIT DEFLATOR GNP.....	131.6	137.5	142.8	148.6	155.2	162.1	169.4	176.9	184.6	192.7
PERCENTAGE CHANGE.....	4.20	4.50	3.85	4.06	4.43	4.47	4.51	4.41	4.35	4.38
IMPLICIT DEFLATOR GSP.....	130.0	135.4	140.8	146.7	153.4	160.6	168.1	176.0	184.1	192.5
PERCENTAGE CHANGE.....	4.01	4.14	4.00	4.21	4.52	4.71	4.67	4.71	4.57	4.58
US PERS CONS DEFL (1982=100).....	136.5	143.6	149.3	155.8	163.3	171.0	179.0	187.3	196.0	205.1
PERCENTAGE CHANGE.....	5.09	5.22	4.01	4.35	4.80	4.71	4.68	4.65	4.63	4.63
TN PERSONAL INCOME (MIL \$).....	76296	80009	85625	91859	99008	106523	114553	123171	132484	142595
PERCENTAGE CHANGE.....	5.11	4.87	7.02	7.28	7.78	7.59	7.54	7.52	7.56	7.63
US PERSONAL INCOME (BIL \$).....	4646.0	4878.3	5214.3	5599.1	6021.8	6462.6	6921.2	7410.3	7930.1	8480.4
PERCENTAGE CHANGE.....	5.97	5.00	6.89	7.38	7.55	7.32	7.10	7.07	7.01	6.94
TN PERSONAL INCOME (MIL 82 \$).....	55911	55723	57337	58946	60623	62293	63992	65747	67588	69524
PERCENTAGE CHANGE.....	0.02	-0.34	2.90	2.81	2.85	2.76	2.73	2.74	2.80	2.87
US PERSONAL INCOME (BIL 82 \$).....	3404.7	3397.6	3491.7	3592.9	3687.1	3779.2	3866.3	3955.5	4045.6	4134.7
PERCENTAGE CHANGE.....	0.84	-0.21	2.77	2.90	2.62	2.50	2.30	2.31	2.28	2.20
TN NONAGRIC JOBS (THOUS).....	2176.1	2185.0	2229.9	2266.4	2311.6	2357.4	2404.2	2451.8	2503.5	2558.1
PERCENTAGE CHANGE.....	1.06	0.41	2.05	1.64	1.99	1.98	1.99	1.98	2.11	2.18
US NONAGRIC JOBS (MIL).....	110.4	110.4	111.9	114.1	116.3	118.3	120.1	122.0	123.9	125.8
PERCENTAGE CHANGE.....	1.84	0.02	1.37	1.89	1.98	1.72	1.49	1.60	1.58	1.47
TN UNEMPLOYMENT RATE (%).....	5.2	6.5	6.4	6.4	5.6	5.4	5.4	5.2	5.0	4.8
US UNEMPLOYMENT RATE (%).....	5.5	6.8	6.7	6.2	5.6	5.3	5.2	5.0	4.8	4.7
BANK PRIME INTEREST RATE (%).....	9.9	9.8	10.0	10.0	10.3	10.6	11.0	10.8	10.3	9.9
TN MFG JOBS (THOUS).....	521.2	515.3	526.0	529.5	534.0	535.1	536.1	535.4	536.2	536.9
PERCENTAGE CHANGE.....	-0.49	-1.12	2.07	0.66	0.86	0.20	0.18	-0.11	0.14	0.13
TN MFG AVG WEEKLY HOURS.....	39.0	39.5	39.6	40.5	41.1	41.2	41.1	41.1	41.1	41.1
PERCENTAGE CHANGE.....	-4.35	1.16	0.15	2.41	1.39	0.20	-0.10	0.02	-0.09	0.08
TN TAXABLE SALES (MIL \$).....	41615	42955	45365	48113	51393	54686	58106	61783	65819	70170
PERCENTAGE CHANGE.....	4.0	3.2	5.6	6.1	6.8	6.4	6.3	6.3	6.5	6.6
TN TAXABLE SALES (MIL 82 \$).....	30496	29917	30378	30874	31468	31980	32459	32979	33578	34212
PERCENTAGE CHANGE.....	-1.0	-1.9	1.5	1.6	1.9	1.6	1.5	1.6	1.8	1.9
TN MFG OUTPUT/EMPLOYEE (THOUS 82 \$).....	39.5	40.7	41.8	42.7	43.7	44.7	45.9	46.9	48.1	49.3
PERCENTAGE CHANGE.....	1.83	3.10	2.77	2.10	2.39	2.22	2.66	2.34	2.57	2.35
US MFG OUTPUT/EMPLOYEE (THOUS 82 \$).....	48.8	50.4	52.4	53.4	54.9	56.6	58.4	60.3	62.2	64.1
PERCENTAGE CHANGE.....	3.01	3.38	3.84	2.00	2.85	3.06	3.13	3.20	3.15	3.17
TN AVERAGE ANNUAL WAGE, NONAG (\$).....	20750	21686	22715	23830	25082	26453	27953	29557	31267	33083
PERCENTAGE CHANGE.....	3.05	4.51	4.74	4.91	5.25	5.46	5.67	5.74	5.79	5.81
TN AVERAGE ANNUAL WAGE, NONAG (82 \$).....	15206	15104	15211	15292	15358	15469	15615	15777	15951	16130
PERCENTAGE CHANGE.....	-1.94	-0.67	0.71	0.53	0.43	0.72	0.94	1.04	1.10	1.12

determination to hold the reins on inflation suggests that these are realistic inflation forecasts.

Personal income growth will be negative in 1991 as a result of the continued weakness in the economy. Following 1991, growth in personal income will be nearly 3 percent in Tennessee, and will slightly exceed the growth in personal income for the U.S. economy. Should the current slowdown continue into 1992, income growth will remain weak.

Demographic factors and other forces will diminish job growth between now and 1999, relative to historical periods. The end of the mass entrance of the baby boom generation into the labor market and reduced rates of growth in labor force participation rates will translate into lower rates of job creation. Nonetheless, Tennessee will realize a respectable 1.8 percent compound annual growth rate in employment, versus 1.5 percent for the U.S.

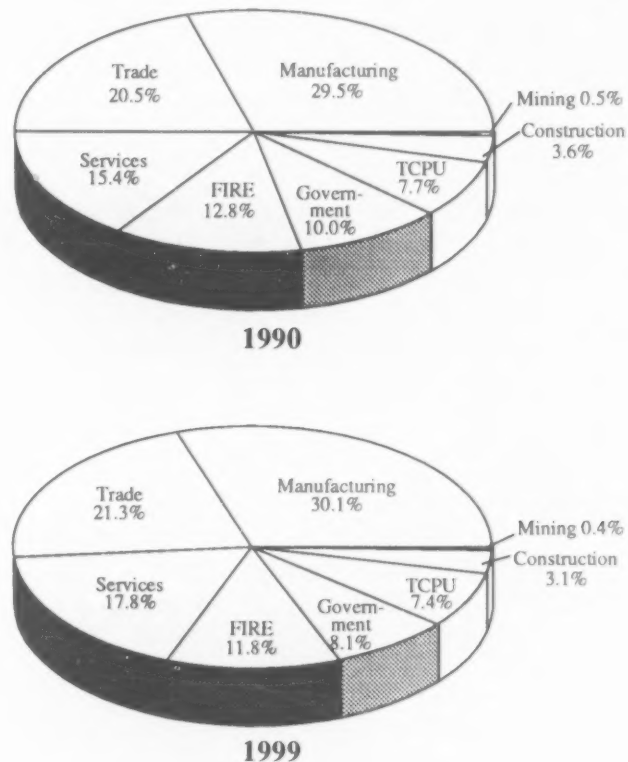
Unemployment will peak at 6.5 percent for the state in 1991 and will remain relatively high until recessionary forces are eliminated from the economy. By the end of the decade, unemployment rates for both the U.S. and Tennessee are expected to fall to under 5 percent, though rates could rise during unforeseen economic downturns. (See Figure 3.3 for long-run trends in the U.S. and state unemployment rates.)

Sectoral Production Outlook

Tennessee's dominant manufacturing sector will experience modest growth in relative importance over the decade, slightly increasing the state's potential sensitivity to cyclical variations in the economy. As illustrated in Figure 3.4, manufacturing accounted for 29.5 percent of the value of all goods and services produced in the state in 1990; by 1999, manufacturing will represent 30.1 percent of all state output. Absolute growth in manufacturing, or the (inflation-adjusted) increase in the value of goods and service produced, will amount to 3.4 percent on a compound annual basis. This exceeds overall growth in GSP by only 0.2 percentage points.

Durable goods manufacturing will increase in relative importance, from a 17.6 share of state output in 1990 to 20.0 percent in 1999. Nondurable goods production will fall in relative importance, from 11.9 percent to 10.1 percent of state production. All (broad) individual sectors within durable goods manufacturing will experience growth in the value of inflation-adjusted production. The most rapid growth will be experienced in non-electrical machinery, transportation equipment, and instruments. In the

FIGURE 3.4
Distribution of Nonagricultural Gross State Product



nondurable goods manufacturing sector, the tobacco industry will contract slightly and chemicals output will fall significantly—by 11.5 percent from its 1990 level.

The growth in the relative importance of production in the manufacturing sector—as well as growth in trade and services—will be at the expense of construction, mining, FIRE (finance, insurance and real estate), TCPU (transportation, communications and public utilities) and government, all of which experience declines in their relative shares of state production. Despite these declines in relative importance, the only sector to suffer from an absolute contraction of output is the mining sector, where the level of output will fall by 0.7 percent between 1990 and 1999.

Sectoral Employment Outlook

Nonagricultural employment is forecast to grow at a 1.8 percent compound annual rate between 1990 and 1999, reflecting the creation of

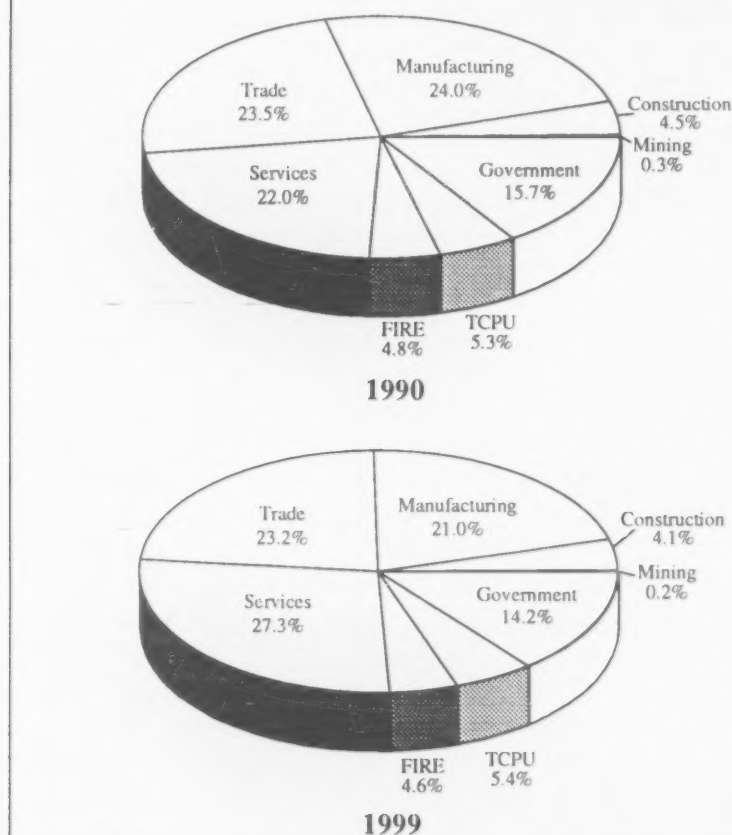
382,000 new jobs for the state economy. A total of 219,500 of these new jobs will arise in the service sector alone. Growth in the manufacturing sector will contribute an additional 15,700 new jobs. Note that these estimates reflect net changes in employment, and there will be firms, industries and regions that experience job losses.

The distribution of nonagricultural employment by sector is presented in Figure 3.5 for 1990 and 1999. Manufacturing sector employment, which will account for 24 percent of all jobs in 1990, will grow at a 0.3 percent compound annual growth rate over the forecast period. By the end of the decade, however, the share of state employment in manufacturing will decline from 24 percent to 21 percent, reflecting relatively higher rates of employment growth for other sectors of the economy. Overall growth in manufacturing is dominated by the durable goods sector, which will generate 18,800 new jobs; the more anemic nondurable goods sector will lose 3,100 jobs. (Note that while employment in nondurable goods manufacturing is declining in absolute terms, the inflation-adjusted value of production in the same sector is increasing over the forecast period.)

Within the durable goods sector, lumber and wood, stone, clay and glass, primary metals and electrical machinery will lose employment totalling 5,800. These same sectors will experience positive output growth over the forecast horizon. The remaining sectors within durable goods manufacturing will experience positive employment growth. Transportation equipment and instruments will be particularly strong, creating 18,100 new jobs. In the nondurable goods sector, tobacco and petroleum refining will have stable employment; small losses will be experienced in food (1,100 jobs) and apparel (2,200 jobs), and somewhat larger losses in textiles (4,000 jobs) and chemicals (9,300 jobs). The remaining sectors will witness positive growth.

With the exception of the mining sector, where over one-third of 1990 jobs will be lost by 1999, all other broad sectors of the economy are forecast to have positive employment growth. In the construction sector, which continues to experience weakness, there will be 6,700 new jobs by 1999. Nonetheless, as with manufacturing, job growth in construction falls behind average growth for the state, producing a decline in construction's share of employment from 4.5 percent in 1990 to 4.1 percent in 1999 (See Figure 3.5). The largest growth, by virtually any employment measure, will be in services, where 219,500 new jobs will be created, reflecting a 4.3 percent compound annual growth rate. In 1990, services accounted for 22 percent of all jobs in the state; by 1999, services will comprise 27.3 percent of all jobs. A continuation of past trends would give rise to substantial employment gains in health care, business and legal services. Job creation

FIGURE 3.5
Distribution of Nonagricultural Employment



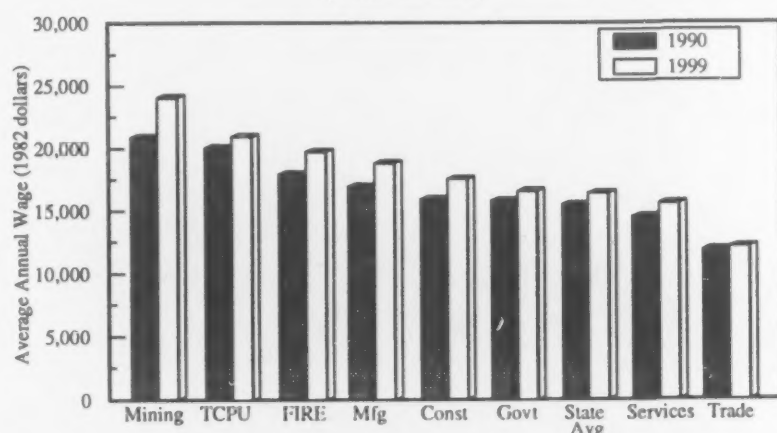
in TCPU, trade and FIRE will also be strong, increasing at 2.0 percent, 1.7 percent and 1.5 percent compound annual rates, respectively.

Income, Wages and Salaries

Inflation-adjusted personal income for Tennessee is projected to grow at a 2.5 percent compound annual rate by 1999. While this compares favorably to 2.2 percent growth in personal income for the U.S. economy, growth will be slower than for any of the three previous decades. Inflation-adjusted per capita personal income growth, which takes into account the influences of inflation and a growing population, is forecast to be 1.6 percent, again comparing favorably to U.S. growth forecast at 1.3 percent. Transfer payments within the state will increase at the inflation-adjusted rate of 2.2 percent.

Sectoral inflation-adjusted wages and salaries for 1990 and 1999 are presented in Figure 3.6. The current (nonagricultural) state average is

FIGURE 3.6
Tennessee Average Annual Wage
(1982 dollars)



\$15,420. The highest wage sector is mining (\$20,827), in part reflecting high productivity and greater employment injury risk for miners. Next, in order, are TCPU (\$20,079), FIRE (\$17,903) and then manufacturing (\$16,930). The lowest wage sector is trade, including wholesale and retail trade, where the average wage is only \$11,855.

On average, inflation-adjusted wages will increase by only 6.0 percent between 1990 and 1999, reflecting a meager 0.6 percent compound annual rate of growth. Those sectors with relatively high (low) wages in 1990 will also have relatively high (low) wages in 1999. Weakest wage and salary growth will be in the trade and government sectors, where growth will be 2.0 percent and 3.9 percent, respectively. The most dramatic growth will be in the high-wage mining sector, where the 1999 wage will be \$24,030 (in 1982 dollars), reflecting 15.4 percent growth from 1990. The average wage in manufacturing will rise to \$18,799 in 1999 from \$16,930 in 1990. In 1990, the average wage in nondurable goods manufacturing was \$16,323 versus \$17,545 in durable goods manufacturing. However, the growth in wages in nondurable goods manufacturing will surpass growth in durable goods manufacturing, and by 1999 the average wage in the non-durable goods sector will exceed the average in the durable goods sector.

In general, income growth will be weaker in the forthcoming decade than has been the experience of the last three decades. This suggests that improvements in the standard of living, at least measured in terms of worker income, will be harder to obtain and will require more significant advancements in productivity. ■

CHAPTER 4

URBAN AND RURAL ECONOMIES OF TENNESSEE

Investigating the characteristics of Tennessee's rural and urban areas can best be accomplished by dividing the state's 95 counties into three main areas: 1) urban or Metropolitan Statistical Areas (MSA) counties; 2) suburban rural counties—those adjacent to MSA counties; and 3) rural counties—those which are not contiguous with an urban area.¹ (See Figure 1.) Differences between MSA and non-MSA counties have been carefully studied during recent years in other contexts, and explanations for broad disparities in socioeconomic indicators have been developed. Nonetheless, there is little if any agreement in either the diagnosis or the policy alternatives for overcoming chronic poverty in rural counties. This study is descriptive of the socioeconomic conditions in the three areas but does not seek to provide comprehensive policy guidance.

Of the three areas of focus used in this study, the first (denoted MSA) includes all MSA counties with the exception of non-Tennessee portions of border MSAs (i.e., only Tennessee counties are included); in addition, the Clarksville-Hopkinsville and Nashville MSAs are merged. The second area, the suburban rural counties, is formed by counties that are adjacent to, on that border, the five largest MSAs (Memphis, Nashville, Chattanooga, Knoxville, and Tri-cities). The remaining counties comprise the rural component of the analysis. These three subdivisions of the state are illustrated in Figure 4.1, and the counties which comprise each subdivision are detailed in Table 4.1. Distinctions between these three areas are based solely on geographic characteristics, allowing an investigation free of any prior belief about levels and nature of economic activity or social indicators. A number of these indicators will be the object of comparison in the discussion which follows. References to specific counties will be made only in the interest of comparing the general trends and characteristics of broader regions rather than those of specific counties.

This chapter is divided into four main sections. The first examines demographic aspects; the second consists of an analysis of a set of key economic indicators; and the third considers two social indicators. The last section is the conclusion.

Differences between MSA and non-MSA counties have been carefully studied during recent years, and explanations for broad disparities in socioeconomic indicators have been developed. Nonetheless, there is little if any agreement in either the diagnosis or the policy alternatives for overcoming chronic poverty in rural counties.

1. The classifications are based solely on geographic characteristics. Alternative classifications might be based on economic or social characteristics.

FIGURE 4.1
MSAs, Suburban Rural, and Rural Areas

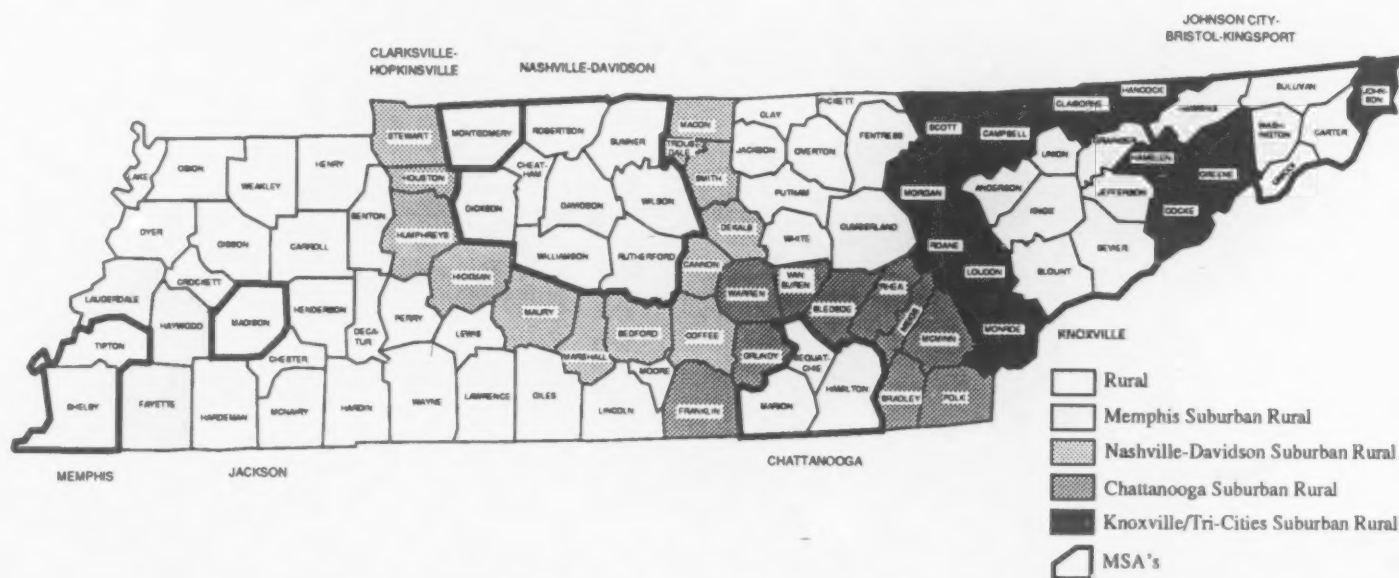


TABLE 4.1
MSAs, Suburban Rural, and Rural Areas with Constituent Counties

MSAs	Suburban Rural	Rural
KNOXVILLE	KNOXVILLE & TRI-CITIES	Benton
Anderson	Campbell	Carroll
Blount	Claiborne	Chester
Grainger	Cocke	Clay
Jefferson	Greene	Crockett
Knox	Hamblen	Cumberland
Sevier	Hancock	Decatur
Union	Johnson	Dyer
	Loudon	Fentress
MEMPHIS	Monroe	Gibson
Shelby	Morgan	Giles
Tipton	Roane	Hardeman
JACKSON	Scott	Hardin
Madison		Henderson
	CHATTANOOGA	Henry
CHATTANOOGA	Bledsoe	Jackson
Hamilton	Bradley	Lake
Marion	Franklin	Lawrence
Sequatchie	Grundy	Lewis
	McMinn	Lincoln
TRI-CITIES	Meigs	McNairy
Carter	Polk	Moore
Hawkins	Rhea	Obion
Sullivan	Van Buren	Overton
Washington	Warren	Perry
Unicoi		Pickett
	NASHVILLE-DAVIDSON	Putnam
NASHVILLE	Bedford	Wayne
Ceatham	Cannon	Weakley
Davidson	Coffee	White
Dickson	Dekalb	
Montgomery	Hickman	
Robertson	Houston	
Rutherford	Humphreys	
Sumner	Macon	
Williamson	Marshall	
Wilson	Maury	
	Smith	
	Stewart	
	Trousdale	
	MEMPHIS	
	Fayette	
	Lauderdale	
	Haywood	

Source: U.S. Department of Commerce, Bureau of the Census, Census of Population, 1980; and U.S. Office of Management and Budget, June 30, 1985.

Note: MSAs bordering neighboring states do not include out-of-state counties. The in-state portion of the Clarksville-Hopkinsville MSA, Montgomery County, is included here as part of the Nashville MSA.

DEMOGRAPHIC ASPECTS

Tennessee's population is predominantly urban. Figure 4.2 shows that in 1980, 66.39 percent of the state's population lived in urban areas, increasing to 67.08 percent in 1988. This increase, accompanied by declines in the rural share of state population, suggests that the main economic activities in the state have evolved from rural activities like agriculture to urban activities like manufacturing and services. However, manufacturing and service activities also flourish in many rural places.

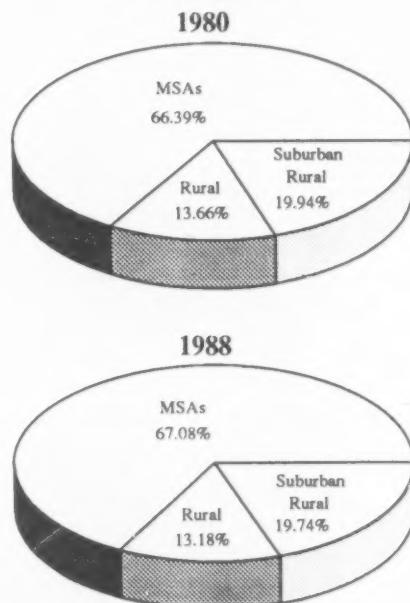
Table 4.2 provides population levels and population growth rates from 1980 to 1988 for the three areas of study. The state's growth rate of 6.6 percent between 1980 and 1988 was well below the national rate of 8.5. Unlike suburban rural areas which have been growing at relatively uniform rates, the MSAs have been growing at substantially different rates. The Nashville MSA, for example, has experienced the highest rate of growth in the state (14.47 percent), while the Chattanooga MSA has the lowest rate (1.79). The Nashville MSA is the only area growing faster than the state. Because of Nashville's size relative to the state, Nashville's growth provides an important contribution to overall state growth.

Migration and commuting patterns are a significant determinant of population growth rate differences, and economic performance of an area explains part of these patterns. Unfortunately, available migration data are limited by lack of information on the origin, destination, education, and skills of migrants. The only data available by county that permit investigation of immigration by area of the state are confined to net migration, or the number of incoming migrants minus outgoing migrants.

As reported in Table 4.3, the Nashville area experienced an influx of over 78,000 people between 1980 and 1988, five times more than Knoxville, the second largest recipient of migrants. Migration is the main determinant of the high population growth rate in the Nashville MSA, accounting for 58 percent of total population growth in that region. Unfortunately, the data do not reveal the prior location of migrants, and it is possible that places with net outmigration, such as the Memphis MSA, its suburban area, and the Chattanooga MSA, were the origin for Nashville's expansion.

Net immigration for rural counties was positive and higher than the number for any other area except for Nashville, Knoxville, and the Nashville suburban area. Further, net migration in the rural counties was responsible for 53 percent of total growth, indicating that migration had a

FIGURE 4.2
Percentage of State Population by Region
1980 and 1988



Source: U.S. Department of Commerce, Bureau of the Census, *Current Population Reports*.

greater responsibility for growth than did the difference between births and deaths. Nonetheless, rural counties had a very low rate of growth, exceeding only the growth rate for the Chattanooga and Tri-Cities MSAs. (See Table 4.2.) A tentative conclusion is it that there is no widespread movement of population from rural to MSA or suburban areas.

ECONOMIC CHARACTERISTICS

In this section a series of economic indicators for the three groups of Tennessee counties is presented. An analysis of these indicators can provide insights on the economic structure of broad regions of the state.

Per Capita Income

Per capita income is a major indicator of economic development.² Figure 4.3 depicts per capita income for each region, and clearly shows that the per capita income in MSA counties is on average higher than in suburban and rural counties. The Memphis, Nashville, and Chattanooga MSAs have particularly high per capita income compared to other areas in the

2. Per capita income is total personal income divided by residence-adjusted population.

TABLE 4.2
Population and Rate of Growth, By Main Areas, 1980 and 1988

MSAs	Population		Rate of Growth (Percent)
	1980	1988	
Chattanooga	320,664	326,400	1.79
Knoxville	565,900	599,600	5.95
Jackson	74,546	78,200	4.90
Memphis	810,043	857,900	5.90
Nashville	933,847	1,069,000	14.47
Tri-Cities	343,041	352,500	2.76
TOTAL	3,048,041	3,283,600	7.73
Suburban Rural			
Chattanooga	247,322	263,100	6.38
Knoxville/Tri-Cities	354,205	370,200	4.52
Memphis	70,178	72,600	3.45
Nashville, Davidson	244,259	260,200	6.53
TOTAL	915,964	966,100	5.47
Rural			
TOTAL	627,308	645,300	2.87
Tennessee	4,591,313	4,895,000	6.61

Source: U.S. Department of Commerce, Bureau of the Census, *Current Population Reports*.

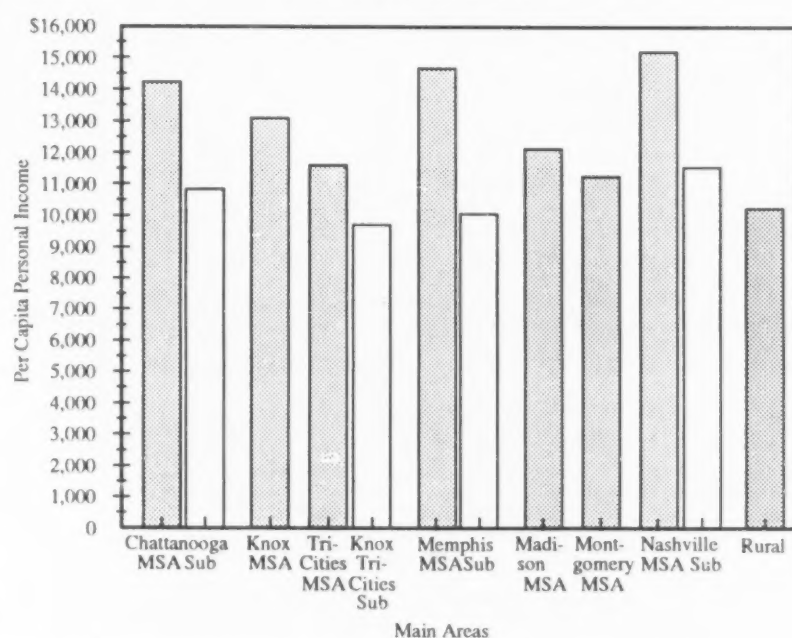
TABLE 4.3
Net Migration, and Percentage of Population Growth Due to Difference
Between Births and Deaths and Migration, by Main Areas, 1980-1988

MSAs	Net Migration	Percent of	Percent of
		Population Growth Due to Difference in Births - Deaths	
Memphis	-5,800	112	-12
Jackson	900	75	25
Knoxville	15,000	55	45
Chattanooga	-6,100	207	-107
Nashville	78,300	42	58
Tri-Cities	1,000	90	10
TOTAL	83,300	65	35
Suburban Rural			
Memphis	-100	104	-4
Nashville	10,300	51	49
Chattanooga	7,100	55	45
Knoxville-Tri-Cities	6,800	57	43
TOTAL	24,100	52	48
Rural			
TOTAL	9,500	47	53
Tennessee	116,900	62	38

Note: The latter two columns sum to 100 percent.

Source: U.S. Department of Commerce, Bureau of the Census.

FIGURE 4.3
Per Capita Income for MSAs, Suburban Rural,
and Rural Areas for 1987



Source: Regional Economic Information System, Bureau of Economic Analysis.

state. In addition, suburban counties for Chattanooga and Nashville MSAs have higher per capita incomes than other suburban areas. However, rural counties do not necessarily have low per capita income compared with suburban rural counties. In fact, if counties such as Pickett, Lewis, and Fentress, which have significantly low per capita income, were eliminated from the rural group, its average per capita income would be comparable to the highest per capita income suburban rural areas—namely, Chattanooga and Nashville.

Another interesting indicator is the dispersion of per capita income within each area. Table 4.4 shows the ratio between the lowest and highest per capita income county for each area of the state.³ A ratio of 1.0 means that all counties in the area have equal incomes. For example, the ratio of 0.57 for rural counties means that the lowest income rural county has an income only 57 percent as large as the highest income rural county. What is evident from this table is that rural counties have very unequal per capita income distribution; inequalities within MSA counties are less pronounced

3. It should be emphasized that the ratio presented in the table is not an ideal measure of dispersion. A better indicator would be the variance of per capita income in each area. However, the calculation is cumbersome since it involves weighing all the individual counties' contributions to the variance by their population.

TABLE 4.4
Ratios of Lowest to Highest Per Capita Personal Income
for Each Area, 1987*

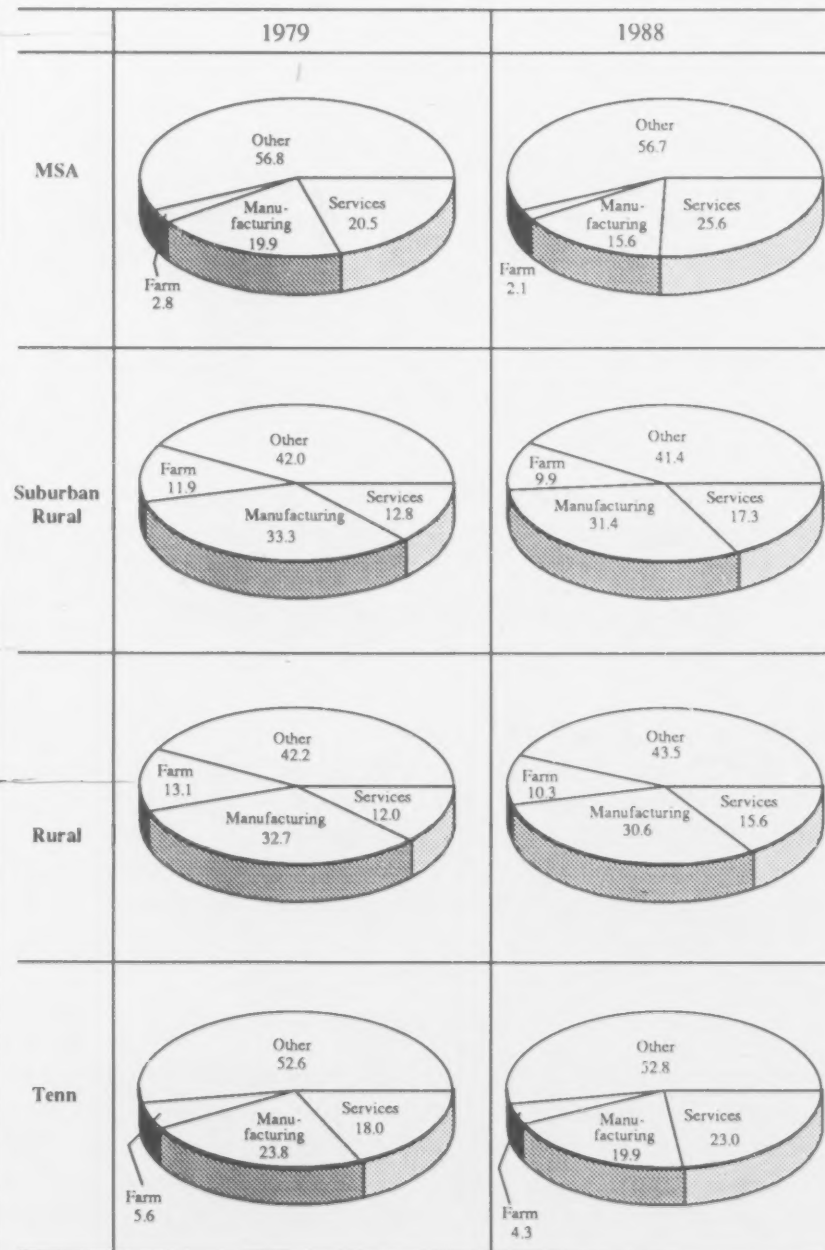
MSAs*	Ratios
Knoxville	0.55
Memphis	0.72
Nashville	0.56
Chattanooga	0.59
Tri-Cities	0.74
Suburban Rural	
Chattanooga	0.69
Nashville	0.75
Tri-Cities -- Knoxville	0.57
Memphis	0.92
Rural	0.57
*Madison and Montgomery were not included since they each contain only one county. Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economics Information System, direct subscription.	

than in rural counties; and the suburban counties are somewhat more uniform (suburban ratios generally are higher). In other words, cross-county per capita personal income disparities are more visible in rural and MSA areas than in suburban areas. It is, however, difficult to identify socioeconomic factors responsible for the observed disparities in per capita income. Indeed, none of the data series analyzed so far sheds any light on our understanding of possible causes of the disparities. One likely explanation is that the jobs available in counties differ widely. Similarly, it is difficult to establish any relationship between the population movements discussed in the first section of this paper and the levels of per capita income. For example, the Memphis and Nashville MSAs have the highest per capita incomes of all MSAs; however, as shown above, the former is experiencing negative net migration, while the latter is facing the strongest positive net migration in the state.

Unemployment Rates

The aggregate unemployment rates for each area are depicted in Figure 4.4. The unemployment rate declines in every area between 1979 and 1989, with the exception of the Madison MSA, where rates of unemployment did not differ during these years. For both years under study, the rate of unemployment for each suburban rural area was higher than for the corresponding MSA area. This finding contrasts with the per capita income pattern observed above, where per capita income in each MSA was higher than in the corresponding suburban rural area. Note also that the unemployment rate in rural counties was greater than for all other areas except for the suburban areas around Knoxville-Tri-Cities and Memphis. The high overall rate for the Knoxville-Tri-Cities suburban area in both years was caused by high rates of unemployment in a small group of

FIGURE 4.5
Distribution of Jobs Among Different Economic Sectors, 1979 and 1988



Source: Regional Economic Information System, Bureau of Economic Analysis.

In general, the MSA counties are much less (more) manufacturing (services) oriented than other subdivisions of the state. In fact, for 1988 MSA manufacturing orientation is only half of that for the suburban rural and rural counties. This has important implications for the cyclical sensitivity of MSA versus non-MSA economies, since the manufacturing sector is typically more disadvantaged during economic downturns. Manufacturing and farming declined as a percent of employment for both MSA and non-MSA areas between 1979 and 1988. On the other hand, the role of services in providing new job opportunities expanded in all areas for this period. Note also that for both years, 1979 and 1988, services had a higher share of employment in MSAs than in other areas.

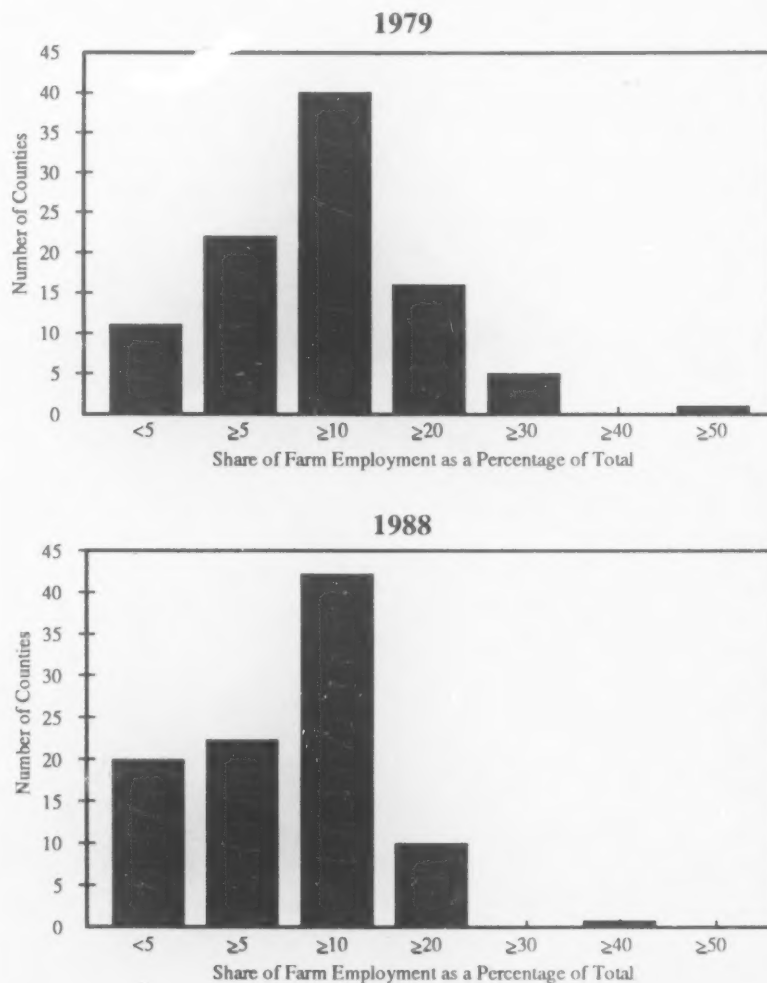
As illustrated by Figure 4.6, between 1979 and 1988, the number of counties in which farming accounted for less than 5 percent of total employment doubled. Another important change over the years considered is that the number of counties that could be considered predominantly agricultural (where employment shares exceeded 20 percent) was significantly reduced by 1988. In 1979, there were six counties in which the agricultural sector accounted for more than 20 percent of total employment. Hancock County, which is located in the Knoxville-Tri-Cities suburban area, had farm employment in excess of 40 percent of all employment. Obviously, there has been a significant relative decline in farm employment to very low levels—frequently to less than 5 percent of overall employment.

In 1988, farming accounted for less than 5 percent of total employment in 11 MSA counties, seven suburban counties, and one rural county (Putnam). These counties are concentrated in the middle and eastern areas of the state (see Figure 4.7). Among the counties in which farming was responsible for more than 20 percent of total employment, two were located in the Knoxville MSA, five in suburban areas, and four in rural areas.

It is interesting to note that there is no apparent relationship between the rate of unemployment and the predominance of farming employment in the broad areas analyzed here. However, there is a relationship between a region's per capita income and its share of farm employment. Not surprisingly, predominantly agricultural counties have low per capita income; in fact, they are substantially below the state average. This is true, for example, in Hancock, Jackson, and Union counties.⁵

⁵ These conclusions are reinforced by statistical analyses of the relationships between unemployment and farm employment, and per capita income and farm employment.

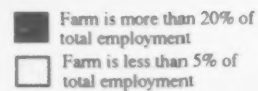
FIGURE 4.6
Distribution of Counties Based on Farm Employment,
1979 and 1988



Source: Regional Economic Information System, Bureau of Economic Analysis.

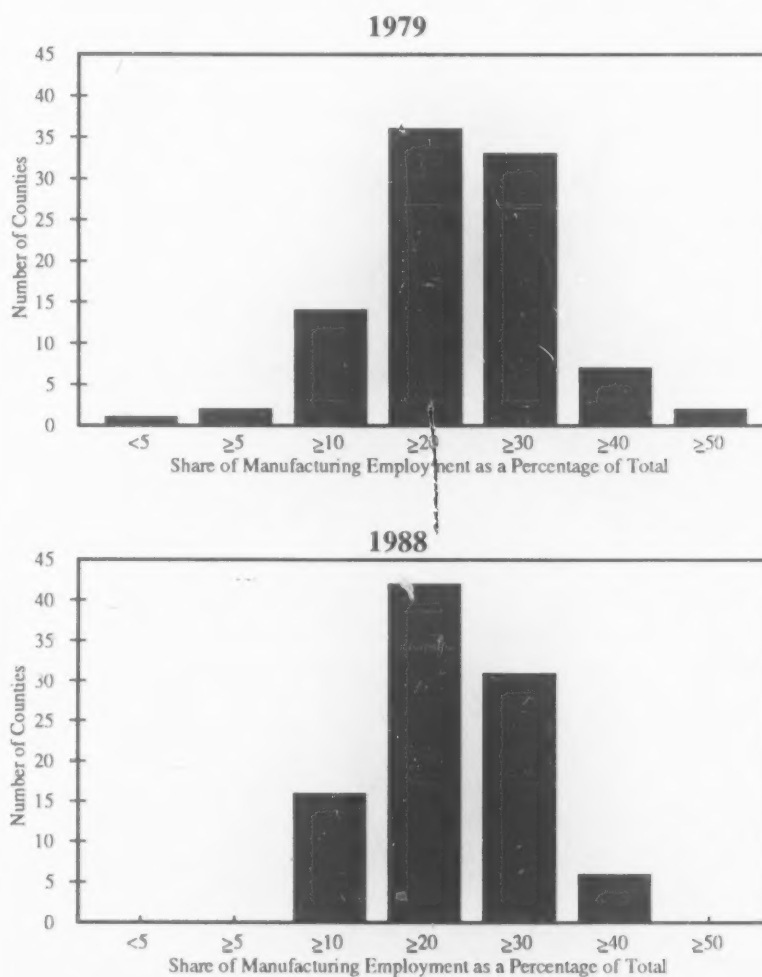
Figure 4.8 shows an increasing concentration of manufacturing employment in 1988 relative to 1979. On the one hand, those counties with less than 10 percent of their employment in manufacturing in 1979 now have at least 10 percent manufacturing sector employment. On the other hand, fewer counties have high manufacturing employment shares. Expansions in service sector employment with little or no growth in manufacturing

FIGURE 4.7



Source: Regional Economic Information System, Bureau of Economic Analysis.

FIGURE 4.8
Distribution of Counties Based on Manufacturing Employment



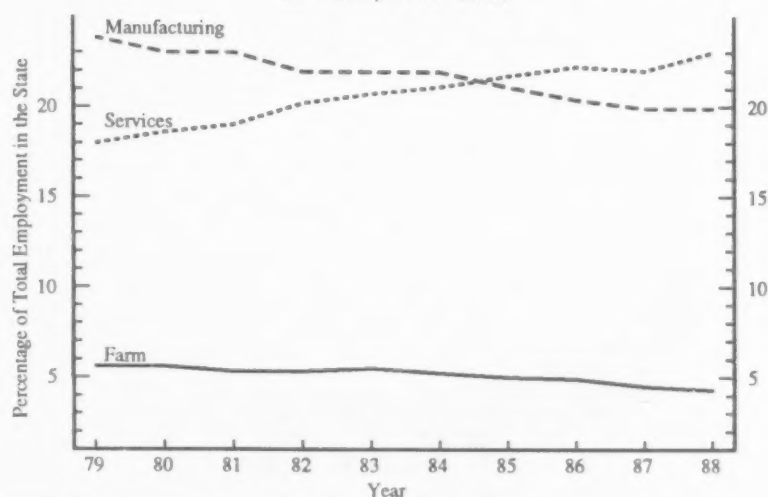
Source: Regional Economic Information System, Bureau of Economic Analysis.

employment is the main reason. Indeed, the service sector showed a significant increase in the share of employment in all geographic areas.

To summarize, five conclusions can be drawn from the data discussed in this section. First, concurrent with the general trend toward a declining share of manufacturing employment in the state has been the increasing share of services in total employment. At the same time, the role of farming as a provider of employment has been slightly declining over the last decade in all of the areas (see Figure 4.9). Second, counties where farm

FIGURE 4.9

Share of Manufacturing, Farm, and Services Employment as a Percentage of Total, 1979-1988



Source: Regional Economic Information System, Bureau of Economic Analysis.

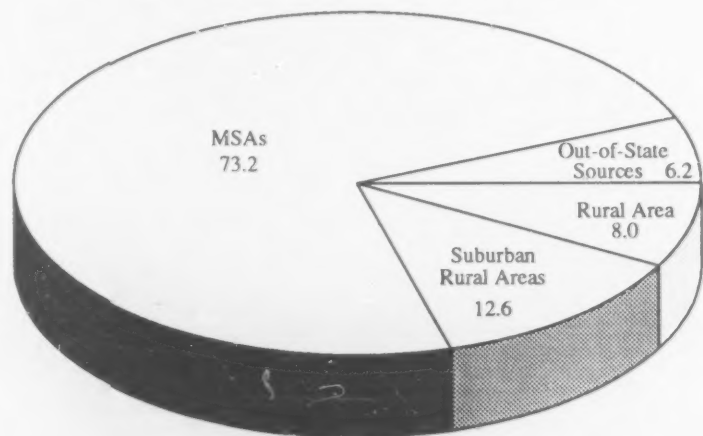
employment plays a significant role tend to be concentrated in upper-middle Tennessee and the northeast corner of the state.

A third conclusion is that the manufacturing sector represents a larger share of economic activity in rural counties and suburban rural counties relative to MSA counties. Hence, Tennessee's rural areas are not heavily oriented towards agriculture, and the more dominant manufacturing sector can be expected to cause more pronounced swings in the economy as a result of business cycle patterns. Fourth, counties in which nonfarm employment is predominant are heavily concentrated in MSAs. And finally, no relationship was found between a region's farming employment and its unemployment rate; however, there is a negative relationship between per capita income and the share of farm employment for the areas considered here.

State Sales and Use Tax Collections

Sales and use tax collections are a direct reflection of the volume of retail sales activity in an area. As shown in Figure 4.10, 6.2 percent of state tax collections were generated from out-of-state sources (such as mail order sales). These will be excluded from further consideration. MSA counties generated 73.2 percent of total collections; 12.6 percent was generated in suburban rural counties; and 8.0 percent in rural counties. Among the MSAs, Memphis and Nashville contributed 18.8 and 25.3 percent of total state sales and use tax collections, respectively, in fiscal year

FIGURE 4.10
State Sales and Use Tax Collections by Broad Source:
Fiscal Year 1988



Source: *Tennessee Statistical Abstract* (1990), Center for Business and Economic Research and Tennessee Department of Revenue, Biennial Report, 1987-1988.

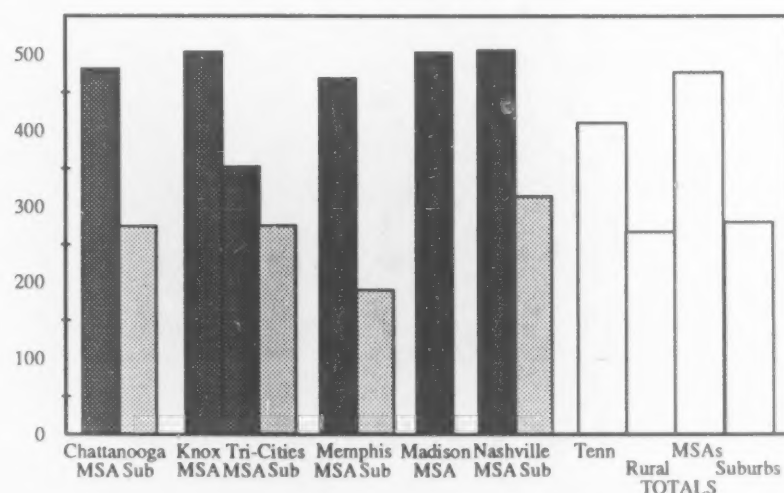
1988. (Memphis MSA and Nashville MSA had 20.1 percent and 25.0 percent of total state personal income in 1987.)

Per capita tax collections can be insightful because they permit the exclusion of collection differences arising solely from population differences. Figure 4.11 clearly indicates that per capita sales and use tax collections in each MSA are higher than in their respective suburban areas. It is also noticeable that per capita tax collections in rural counties are smaller than in any other area except for the Memphis suburban area. A sharp contrast is evident between the three broad regions: the volume of per capita retail trade is much lower in rural and suburban areas than in urban areas. Decreasing per capita tax collections as we move from MSAs to suburban counties coincides with the pattern observed for per capita income. However, the concentration of collections in urban areas, which is a reflection of larger cities serving as trade centers, also contributes to overall collection patterns.

Banking Activity

Figure 4.12 displays the number of banking offices for each MSA, suburban rural, and rural area as of June 30, 1987. The number of banking offices in a county is not only an important measure of the availability of financial services to local businessmen, but can also be a good indicator of the county economy's strength, since higher levels of economic activity are followed by an increasing demand for banking ser-

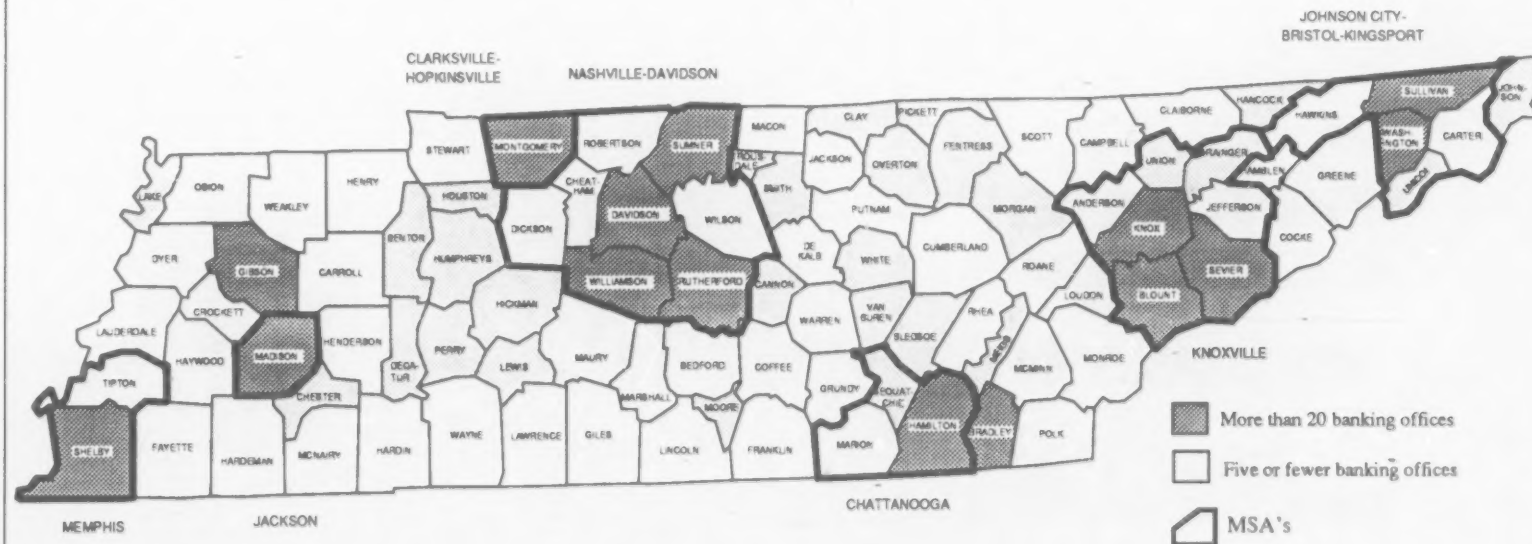
FIGURE 4.11
Per Capita Sales and Use Tax Collections:
Fiscal Year 1988



Source: *Tennessee Statistical Abstract* (1990), Center for Business and Economic Research.

vices. Of course, technology in the banking industry, which allows easy transfer and manipulation of funds, may permit deposits to be made in counties other than where the economic activity takes place. Hence, a farmer in Hancock County can choose to make deposits in neighboring Washington County (or in many other places across the U.S.). This practice represents a caveat to the use of deposits or the number of banking offices as an indicator of volume of economic activity. Nonetheless, Figure 4.12 illustrates that there was a substantial concentration of banking offices in MSA counties. In fact, among the 15 counties that have more than 20 banking offices, only Gibson and Bradley are not in MSAs. Again, no clear difference was established between suburban and rural areas. Twenty-eight counties were found to have five or fewer banking offices. Only four of them were located in an MSA—Grainger, Union, Unicoi, and Sequatchie. Further, no difference in concentration was established between suburban and rural areas. It is interesting to note that among the MSAs, Nashville has the highest concentration of banking offices as well as the highest number of banks in the state. Also, there are similarities between the pattern of banking concentration across the three broad areas considered here and the distribution of per capita income and per capita tax collections. That is, banking activities are concentrated in places with high per capita income and high per capita tax collections.

FIGURE 4.12
Distribution of Banking Offices



Source: Tennessee Statistical Abstract (1990), Center for Business and Economic Research.

SOCIAL INDICATORS

The discussion above has been concerned mainly with economic differences between regions of the state. In what follows, the number of families below the poverty line and local funding for education are presented and discussed as social indicators.

Families Below the Poverty Line

The definition of poverty status varies according to family size, age and place of residence. The most recent data available for the state and sub-state regions are for 1979. However, poverty thresholds are updated annually to reflect changes in the annual average Consumer Price Index (CPI).

All counties that had more than 20 percent of their families below the poverty line were identified in the three areas of study, and their geographic distribution is shown in Figure 4.13. As in many of the subsections above, there are substantial differences in poverty across county groupings; however, suburban areas do not appear to be substantially different from rural counties. Among the 22 counties where more than 20 percent of families are below the poverty line, only three were in MSA areas: Grainger and Union in the Knoxville MSA, and Sequatchie in the Chattanooga MSA. Of the remaining 19 counties, 12 were located in suburban areas, predominantly in Memphis and Knoxville-Tri Cities, and only seven were located in rural areas. Not surprisingly, all counties classified as predominantly agricultural in the previous section have more than 20 percent of their families below the poverty line. Hancock County, which has the highest share of agricultural employment, has the largest percentage of families below the poverty line (39.5 percent). Another general tendency confirmed here is that the Nashville MSA and suburban areas differentiate themselves as the most developed part of the state. None of their counties surpasses the 20 percent level threshold, and the counties with the lowest number of families with incomes below the poverty level, Williamson and Trousdale, are located in these areas.

Financing Public Education⁶

Numerous educational indicators can be chosen for study, one of which is per pupil spending for education. These data illustrate what local economies are contributing to the provision of educational services.

Public education in the state is financed through state, local, and federal funds. Different factors determine the funding provided by each. State

6. Information and data are obtained from "Basic Facts of School Finance in Tennessee 1989," Tennessee Education Association Research Bulletin.

support which comes from the general fund is distributed according to the foundation formula based on average daily attendance (ADA), and level of teachers' experience. Conversely, local support depends upon local economic strength, local residents' willingness to pay taxes, and efforts for better educational opportunities. Finally, federal funds follow nationwide considerations and become available either separately or in conjunction with the state funds.

In the school year 1987-1988, state funds were the largest component of total county school system revenues (48.6 percent) but provided widely different shares of revenue at the district level.⁷ The share varied from 63.5 percent in Lewis County to 33.7 percent in Davidson County. Local revenue, derived primarily from property and sales taxes, is the second most important component of the total county schools system, contributing 41.5 percent of revenues. In 1987-1988, the local revenue share in total school revenues ranged from 54.3 percent in Davidson County to 8.7 percent in Hancock County. Also for the same period, the share of federal funds, which contributed 9.9 percent of total financing for all counties, varied from 28.8 percent in Hancock County to 4.5 in Williamson County.

Counties in which local revenue accounts for more than 35 percent of the total are located primarily in MSAs or in suburban areas, with the exception of Carroll, Henry, and Moore counties. On the other hand, counties in which local revenue accounts for less than 25 percent are all located in nonMSAs, with the exception of Tipton County (see Figure 4.14).⁸ Finally, it should be noted that federal funds, contributing the lowest share of total revenue, play a complementary role in supporting local education. However, in 1987-1988, the cross-county distribution of federal funds demonstrated a range narrower than that for the other sources described above. This likely is due to the fact that distribution of federal funds is based largely upon nationwide and statewide considerations rather than on the characteristics of specific counties and districts.

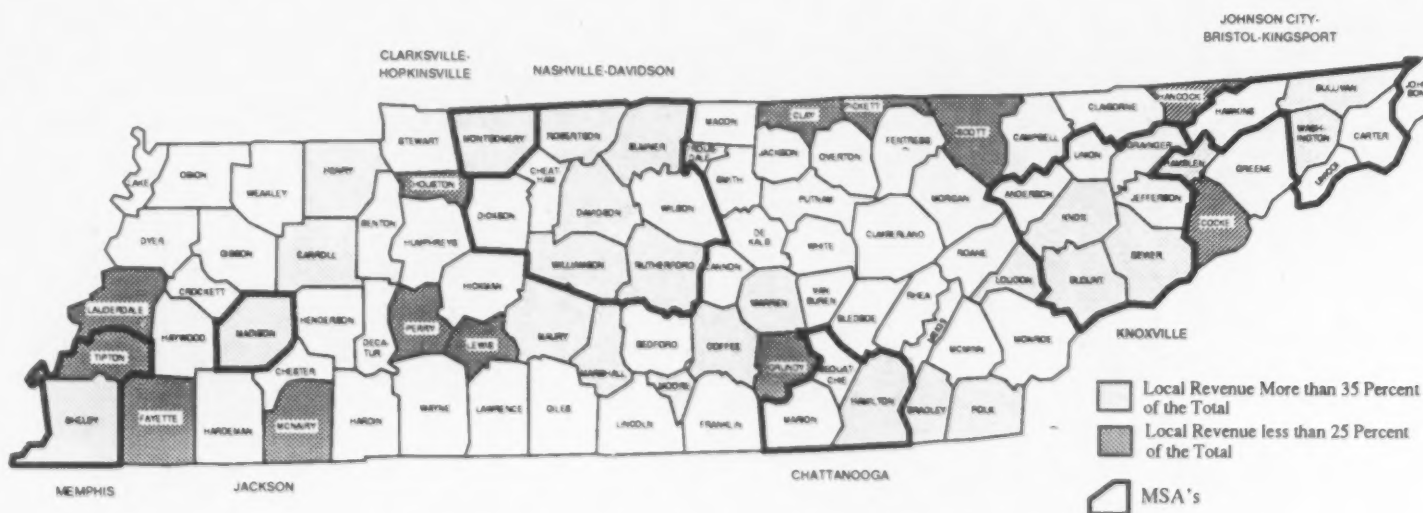
CONCLUSIONS

The indicators presented above follow different tendencies and their ability to differentiate the three broad areas under study is sometimes inconsistent. However, some general conclusions can be reached. First, though MSAs are widely different from suburban and rural areas, many of the indicators do not signal a substantial difference between sub-

7. The data described here refer to county school systems only.

8. Most of the counties with low local shares of education revenues are those previously classified as counties in which more than 20 percent of families were below poverty line, or had low levels of per capita tax collections.

FIGURE 4.14
The Local Contribution to Education Finance: Local Revenue as a Percentage of Total Education Revenues, 1987-88



Source: "Basic Facts of School Finance in Tennessee, 1989," Tennessee Education Association Research Bulletin.

urban and rural areas. Second, since the number of predominantly farm counties in Tennessee is very small, care must be exercised in relying upon resource-based economic development strategies. A third and related conclusion is that many counties in rural areas have high levels of manufacturing employment, yet their socioeconomic indicators often suggest low levels of development. This is probably a reflection of the type of manufacturing sector jobs available in rural areas. ■

APPENDIX 1: FORECAST DATA

TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
 TABLE 1: SELECTED U.S. AND TENNESSEE ECONOMIC INDICATORS
 SEASONALLY ADJUSTED

	HISTORY				FORECAST - DATA								ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992	
US GNP (BIL82\$) SAAR.....	4155.1	4173.7	4150.2	4149.0	4163.3	4192.6	4223.1	4254.8	4283.4	4311.7	4340.7	4159.9	4182.0	4297.6	
% CHG PREV QTR SAAR.....	0.43	1.80	-1.29	-1.06	1.38	2.85	2.94	3.04	2.71	2.67	2.71	1.02	0.53	2.77	
% CHG SAME QTR LAST YR.....	1.04	1.07	0.65	-0.04	0.20	0.45	1.51	2.55	2.89	2.84	2.78	1.02	0.53	2.77	
US PERS CONS DEFL (1982=100)....	135.2	136.9	139.7	141.5	142.8	144.2	145.7	147.2	148.5	150.0	151.6	136.5	143.6	149.3	
% CHG PREV QTR SAAR.....	3.63	5.20	8.40	5.26	3.80	3.96	4.25	4.02	3.70	4.06	4.37	5.09	5.22	4.01	
% CHG SAME QTR LAST YR.....	4.40	5.16	6.00	5.61	5.65	5.34	4.32	4.01	3.98	4.01	4.04	5.09	5.22	4.01	
TN PERSONAL INCOME (MIL82\$) SAAR	56288	55883	55218	55325	55517	55839	56198	56746	57114	57520	57949	55918	55720	57332	
% CHG PREV QTR SAAR.....	0.03	-2.85	-4.68	0.78	1.39	2.34	2.60	3.96	2.62	2.88	3.02	0.03	-0.35	2.89	
% CHG SAME QTR LAST YR.....	0.94	-0.26	-1.45	-1.70	-1.37	-0.08	1.78	2.57	2.88	3.01	3.12	0.03	-0.35	2.89	
TN PERSONAL INCOME (MIL\$) SAAR..	76101	76517	77146	78293	79300	80538	81904	83520	84828	86287	87865	76296	80009	85625	
% CHG PREV QTR SAAR.....	3.66	2.20	3.33	6.08	5.24	6.39	6.96	8.13	6.41	7.06	7.52	5.11	4.87	7.02	
% CHG SAME QTR LAST YR.....	5.38	4.89	4.46	3.81	4.20	5.26	6.17	6.68	6.97	7.14	7.28	5.11	4.87	7.02	
US PERSONAL INCOME (BIL82\$) SAAR	3418.8	3416.3	3379.2	3376.4	3385.8	3403.6	3423.7	3456.6	3479.3	3502.6	3527.0	3404.8	3397.4	3491.4	
% CHG PREV QTR SAAR.....	1.62	-0.29	-4.27	-0.33	1.12	2.12	2.38	3.89	2.66	2.71	2.81	0.84	-0.22	2.77	
% CHG SAME QTR LAST YR.....	1.48	1.03	-0.35	-0.84	-0.96	-0.37	1.32	2.37	2.76	2.91	3.02	0.84	-0.22	2.77	
TN NONAGRIC JOBS (THOUS).....	2175.0	2173.8	2166.3	2171.6	2177.8	2188.8	2201.8	2212.6	2224.0	2235.6	2247.4	2176.1	2185.0	2229.9	
% CHG PREV QTR SAAR.....	-2.57	-0.23	-1.37	0.98	1.15	2.04	2.39	1.97	2.07	2.11	2.14	1.06	0.41	2.05	
% CHG SAME QTR LAST YR.....	1.14	0.49	-0.07	-0.81	0.13	0.69	1.64	1.89	2.12	2.14	2.07	1.06	0.41	2.05	
US NONAGRIC JOBS (MIL).....	110.5	110.7	110.5	110.3	110.2	110.4	110.8	111.2	111.7	112.2	112.7	110.4	110.4	111.9	
% CHG PREV QTR SAAR.....	2.31	0.40	-0.46	-0.88	-0.19	0.74	1.27	1.54	1.80	1.72	1.84	1.84	0.02	1.37	
% CHG SAME QTR LAST YR.....	2.20	1.83	1.21	0.34	-0.29	-0.20	0.23	0.84	1.34	1.58	1.73	1.84	0.02	1.37	
TN UNEMPLOYMENT RATE (%).....	4.9	5.1	5.8	6.4	6.5	6.6	6.4	6.4	6.4	6.3	6.3	5.2	6.5	6.4	
US UNEMPLOYMENT RATE (%).....	5.3	5.6	5.9	6.4	6.8	6.9	6.9	6.9	6.8	6.7	6.6	5.5	6.8	6.7	
BANK PRIME INTEREST RATE (%)....	10.0	10.0	9.8	9.5	9.7	10.0	10.0	10.0	10.0	10.0	10.0	9.9	9.8	10.0	
TN MFG JOBS (THOUS).....	521.8	519.1	517.4	515.0	513.5	515.2	517.5	520.8	524.3	527.7	531.1	521.2	515.3	526.0	
% CHG PREV QTR SAAR.....	-3.47	-2.02	-1.34	-1.78	-1.19	1.33	1.78	2.59	2.66	2.67	2.61	-0.49	-1.12	2.07	
% CHG SAME QTR LAST YR.....	-0.46	-1.26	-1.51	-2.15	-1.58	-0.75	0.03	1.12	2.09	2.43	2.64	-0.49	-1.12	2.07	
TN MFG AVG WEEKLY HOURS.....	38.7	39.5	39.1	39.4	39.5	39.5	39.5	39.5	39.5	39.6	39.6	39.0	39.5	39.6	
% CHG PREV QTR SAAR.....	-2.02	8.31	-3.69	2.90	1.53	0.00	-0.08	-0.10	0.29	0.35	-0.12	-4.35	1.16	0.15	
% CHG SAME QTR LAST YR.....	-6.03	-3.92	-1.82	1.27	2.17	0.15	1.08	0.34	0.03	0.12	0.11	-4.35	1.16	0.15	
TN TAXABLE SALES (MIL\$).....	10406	10289	10285	10489	10655	10836	10976	11113	11275	11402	11574	41615	42955	45365	
% CHG PREV QTR SAAR.....	-8.3	-4.4	-0.2	8.2	6.5	7.0	5.3	5.1	6.0	4.6	6.2	4.0	3.2	5.6	
% CHG SAME QTR LAST YR.....	4.9	1.5	2.3	-1.4	2.4	5.3	6.7	5.9	5.8	5.2	5.5	4.0	3.2	5.6	
TN TAXABLE SALES (MIL82\$).....	7697	7515	7361	7412	7459	7513	7531	7550	7592	7601	7633	30509	29915	30377	
% CHG PREV QTR SAAR.....	-11.5	-9.1	-7.9	2.8	2.6	2.9	1.0	1.0	2.2	0.5	1.7	-1.0	-1.9	1.5	
% CHG SAME QTR LAST YR.....	0.4	-3.5	-3.5	-6.6	-3.1	0.0	2.3	1.9	1.8	1.2	1.4	-1.0	-1.9	1.5	

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 2: SELECTED PER CAPITA U.S. AND TENNESSEE ECONOMIC INDICATORS
SEASONALLY ADJUSTED

	HISTORY	FORECAST - DATA										ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992
US GNP (82\$) SAAR.....	16554	16579	16478	16389	16400	16473	16550	16633	16702	16772	16845	16547	16453	16738
% CHG PREV QTR SAAR.....	-0.52	0.61	-2.43	-2.14	0.28	1.77	1.90	2.00	1.68	1.68	1.76	-0.02	-0.57	1.73
% CHG SAME QTR LAST YR.....	0.00	0.01	-0.41	-1.13	-0.93	-0.64	0.44	1.49	1.84	1.82	1.78	-0.02	-0.57	1.73
US GNP (\$) SAAR.....	21686	21905	22048	22174	22455	22779	23110	23437	23729	24057	24404	21777	22629	23907
% CHG PREV QTR SAAR.....	4.15	4.10	2.63	2.30	5.16	5.91	5.93	5.78	5.09	5.64	5.91	4.18	3.92	5.65
% CHG SAME QTR LAST YR.....	4.12	4.16	4.13	3.29	3.54	3.99	4.82	5.70	5.68	5.61	5.60	4.18	3.92	5.65
TN PERSONAL INCOME (82\$) SAAR...	11292	11194	11027	11015	11038	11086	11124	11199	11256	11320	11370	11205	11066	11286
% CHG PREV QTR SAAR.....	-0.53	-3.42	-5.84	-0.44	0.83	1.78	1.38	2.73	2.03	2.29	1.81	-0.93	-1.24	1.99
% CHG SAME QTR LAST YR.....	-0.08	-1.15	-2.33	-2.58	-2.25	-0.96	0.88	1.68	1.98	2.10	2.21	-0.93	-1.24	1.99
TN PERSONAL INCOME (\$) SAAR.....	15267	15327	15406	15588	15766	15990	16213	16484	16718	16981	17240	15288	15889	16855
% CHG PREV QTR SAAR.....	3.08	1.60	2.07	4.80	4.66	5.81	5.68	6.85	5.80	6.44	6.26	4.09	3.93	6.08
% CHG SAME QTR LAST YR.....	4.32	3.95	3.53	2.88	3.27	4.33	5.24	5.75	6.03	6.19	6.34	4.09	3.93	6.08
US PERSONAL INCOME (82\$) SAAR...	13621	13571	13385	13337	13338	13373	13418	13512	13567	13625	13688	13544	13366	13598
% CHG PREV QTR SAAR.....	0.65	-1.46	-5.37	-1.41	0.02	1.06	1.35	2.85	1.63	1.71	1.86	-0.20	-1.31	1.73
% CHG SAME QTR LAST YR.....	0.43	-0.03	-1.40	-1.92	-2.08	-1.46	0.25	1.31	1.72	1.88	2.01	-0.20	-1.31	1.73
US PERSONAL INCOME (\$) SAAR.....	18415	18581	18700	18874	19052	19288	19555	19888	20150	20439	20754	18480	19192	20308
% CHG PREV QTR SAAR.....	4.31	3.66	2.58	3.78	3.82	5.05	5.66	6.97	5.39	5.84	6.31	4.87	3.86	5.81
% CHG SAME QTR LAST YR.....	4.85	5.13	4.52	3.58	3.46	3.80	4.57	5.37	5.77	5.97	6.13	4.87	3.86	5.81
TN TAXABLE SALES (82\$).....	1544	1505	1470	1476	1483	1492	1491	1490	1496	1496	1498	6114	5941	5980
% CHG PREV QTR SAAR.....	-12.04	-9.67	-9.03	1.53	2.00	2.33	-0.23	-0.15	1.61	-0.08	0.52	-1.93	-2.83	0.65
% CHG SAME QTR LAST YR.....	-0.58	-4.38	-4.32	-7.44	-3.95	-0.91	1.40	0.98	0.88	0.28	0.47	-1.93	-2.83	0.65
TN TAXABLE SALES (\$).....	2088	2061	2054	2088	2118	2151	2173	2193	2222	2244	2271	8339	8531	8930
% CHG PREV QTR SAAR.....	-8.85	-4.97	-1.39	6.88	5.88	6.38	4.01	3.85	5.37	3.98	4.91	3.02	2.30	4.68
% CHG SAME QTR LAST YR.....	3.79	0.56	1.42	-2.25	1.48	4.38	5.78	5.02	4.90	4.30	4.53	3.02	2.30	4.68

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TENNESSEE ECONOMIC MODEL DECEMBER 1990 UPDATE
TABLE 3: TENNESSEE PERSONAL INCOME BY COMPONENTS
SEASONALLY ADJUSTED ANNUAL RATES
MILLIONS OF 1982 DOLLARS

	HISTORY				FORECAST - DATA							ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992
TOTAL PERSONAL INCOME.....	56288	55883	55218	55325	55517	55839	56198	56746	57114	57520	57949	55918	55720	57332
% CHG PREV QTR SAAR.....	0.03	-2.85	-4.68	0.78	1.39	2.34	2.60	3.96	2.62	2.88	3.02	0.03	-0.35	2.89
% CHG SAME QTR LAST YR.....	0.94	-0.26	-1.45	-1.70	-1.37	-0.08	1.78	2.57	2.88	3.01	3.12	0.03	-0.35	2.89
WAGES AND SALARIES.....	33726	33616	33176	33198	33350	33555	33770	34016	34294	34532	34730	33558	33468	34393
% CHG PREV QTR SAAR.....	0.13	-1.30	-5.13	0.27	1.84	2.48	2.60	2.94	3.31	2.81	2.30	-0.90	-0.27	2.76
% CHG SAME QTR LAST YR.....	-0.20	-1.24	-1.91	-1.53	-1.11	-0.18	1.79	2.46	2.83	2.91	2.84	-0.90	-0.27	2.76
OTHER LABOR INCOME.....	3298	3291	3264	3291	3317	3351	3387	3421	3453	3486	3512	3289	3336	3468
% CHG PREV QTR SAAR.....	-0.59	-0.84	-3.20	3.28	3.15	4.17	4.39	4.16	3.79	3.81	2.99	0.58	1.43	3.95
% CHG SAME QTR LAST YR.....	1.30	-0.16	-0.91	-0.36	0.56	1.80	3.74	3.97	4.13	4.04	3.69	0.58	1.43	3.95
PROPRIETORS INCOME.....	5517	5461	5423	5430	5428	5425	5498	5603	5668	5725	5835	5494	5445	5707
% CHG PREV QTR SAAR.....	-4.07	-3.97	-2.78	0.54	-0.17	-0.24	5.54	7.80	4.72	4.09	7.91	1.89	-0.89	4.81
% CHG SAME QTR LAST YR.....	2.67	4.05	1.00	-2.59	-1.61	-0.67	1.39	3.17	4.41	5.53	6.11	1.89	-0.89	4.81
RENT INTEREST DIVIDENDS.....	8045	7890	7791	7766	7785	7886	7973	8048	8060	8159	8252	7934	7852	8130
% CHG PREV QTR SAAR.....	1.67	-7.50	-4.94	-1.26	0.98	5.29	4.47	3.81	0.64	4.97	4.67	0.15	-1.03	3.53
% CHG SAME QTR LAST YR.....	1.52	-1.82	-3.35	-3.07	-3.23	-0.05	2.34	3.63	3.54	3.46	3.50	0.15	-1.03	3.53
TRANSFER PAYMENTS.....	9048	8988	8897	9036	9051	9060	9027	9160	9164	9169	9191	8997	9043	9171
% CHG PREV QTR SAAR.....	-0.35	-2.64	-3.98	6.39	0.66	0.39	-1.42	6.04	0.14	0.23	0.98	2.19	0.51	1.41
% CHG SAME QTR LAST YR.....	3.25	2.31	0.69	-0.22	0.03	0.80	1.46	1.38	1.25	1.21	1.82	2.19	0.51	1.41
LESS: PERS CONT FOR SOC INS.....	2692	2708	2675	2733	2746	2765	2783	2824	2845	2866	2883	2698	2757	2854
% CHG PREV QTR SAAR.....	-3.72	2.29	-4.74	8.98	1.98	2.78	2.54	6.11	2.98	2.95	2.37	0.67	2.18	3.54
% CHG SAME QTR LAST YR.....	0.59	0.41	-0.07	0.56	2.01	2.13	4.03	3.34	3.59	3.64	3.59	0.67	2.18	3.54
RESIDENCE ADJUSTMENT.....	-654	-656	-658	-663	-667	-671	-675	-677	-680	-684	-687	-657	-669	-682
% CHG PREV QTR SAAR.....	-3.07	1.03	1.61	3.04	2.41	2.44	2.11	1.66	1.80	2.20	1.93	-2.13	1.88	2.00
% CHG SAME QTR LAST YR.....	-2.34	-3.34	-2.10	0.63	2.02	2.37	2.50	2.16	2.00	1.94	1.90	-2.13	1.88	2.00
PER CAPITA PERSONAL INCOME (\$)...	11292	11194	11027	11015	11038	11086	11124	11199	11256	11320	11370	11205	11066	11286
% CHG PREV QTR SAAR.....	-0.53	-3.42	-5.84	-0.44	0.83	1.78	1.38	2.73	2.03	2.29	1.81	-0.93	-1.24	1.99
% CHG SAME QTR LAST YR.....	-0.08	-1.15	-2.33	-2.58	-2.25	-0.96	0.88	1.68	1.98	2.10	2.21	-0.93	-1.24	1.99

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 4: TENNESSEE PERSONAL INCOME BY COMPONENTS
SEASONALLY ADJUSTED ANNUAL RATES
MILLIONS OF CURRENT DOLLARS

	HISTORY					FORECAST - DATA						ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992
TOTAL PERSONAL INCOME.....	76101	76517	77146	78293	79300	80538	81904	83520	84828	86287	87865	76296	80009	85625
% CHG PREV QTR SAAR.....	3.66	2.20	3.33	6.08	5.24	6.39	6.96	8.13	6.41	7.06	7.52	5.11	4.87	7.02
% CHG SAME QTR LAST YR.....	5.38	4.89	4.46	3.81	4.20	5.26	6.17	6.68	6.97	7.14	7.28	5.11	4.87	7.02
WAGES AND SALARIES.....	45597	46028	46351	46980	47637	48397	49217	50065	50936	51803	52658	45788	48058	51366
% CHG PREV QTR SAAR.....	3.76	3.83	2.83	5.55	5.71	6.53	6.96	7.07	7.14	6.98	6.77	4.14	4.96	6.88
% CHG SAME QTR LAST YR.....	4.20	3.86	3.98	3.99	4.47	5.15	6.18	6.57	6.92	7.04	6.99	4.14	4.96	6.88
OTHER LABOR INCOME.....	4459	4506	4561	4657	4737	4833	4936	5036	5129	5229	5324	4488	4791	5180
% CHG PREV QTR SAAR.....	3.02	4.32	4.93	8.71	7.07	8.29	8.82	8.35	7.63	8.02	7.50	5.69	6.74	8.12
% CHG SAME QTR LAST YR.....	5.76	4.99	5.04	5.22	6.24	7.24	8.22	8.13	8.27	8.20	7.87	5.69	6.74	8.12
PROPRIETORS INCOME.....	7459	7478	7577	7685	7753	7824	8013	8246	8418	8588	8847	7496	7819	8525
% CHG PREV QTR SAAR.....	-0.59	1.03	5.38	5.83	3.62	3.70	10.03	12.13	8.59	8.31	12.63	7.07	4.31	9.02
% CHG SAME QTR LAST YR.....	7.18	9.42	7.06	2.88	3.95	4.63	5.76	7.30	8.57	9.76	10.40	7.07	4.31	9.02
RENT INTEREST DIVIDENDS.....	10877	10803	10884	10990	11120	11374	11619	11845	11972	12239	12512	10825	11276	12142
% CHG PREV QTR SAAR.....	5.36	-2.69	3.04	3.94	4.82	9.45	8.91	7.98	4.36	9.23	9.24	5.21	4.16	7.68
% CHG SAME QTR LAST YR.....	5.99	3.25	2.45	2.37	2.24	5.28	6.75	7.78	7.66	7.60	7.68	5.21	4.16	7.68
TRANSFER PAYMENTS.....	12233	12306	12430	12787	12928	13067	13156	13483	13610	13754	13936	12276	12985	13696
% CHG PREV QTR SAAR.....	3.27	2.42	4.09	11.99	4.49	4.36	2.77	10.29	3.84	4.31	5.40	7.38	5.77	5.48
% CHG SAME QTR LAST YR.....	7.80	7.59	6.73	5.37	5.68	6.18	5.84	5.44	5.28	5.26	5.93	7.38	5.77	5.48
LESS: PERS CONT FOR SOC INS.....	3640	3707	3737	3868	3923	3988	4056	4157	4226	4299	4371	3682	3959	4263
% CHG PREV QTR SAAR.....	-0.22	7.60	3.26	14.71	5.85	6.84	6.90	10.38	6.79	7.13	6.84	5.79	7.52	7.69
% CHG SAME QTR LAST YR.....	5.02	5.59	5.93	6.20	7.78	7.58	8.52	7.48	7.72	7.79	7.77	5.79	7.52	7.69
RESIDENCE ADJUSTMENT.....	-884	-898	-920	-938	-953	-968	-983	-997	-1011	-1026	-1042	-896	-961	-1019
% CHG PREV QTR SAAR.....	0.45	6.28	10.14	8.46	6.30	6.49	6.45	5.74	5.57	6.35	6.39	2.84	7.20	6.09
% CHG SAME QTR LAST YR.....	1.96	1.65	3.78	6.27	7.79	7.84	6.92	6.25	6.06	6.03	6.01	2.84	7.20	6.09
PER CAPITA PERSONAL INCOME (\$)...	15267	15327	15406	15588	15766	15990	16213	16484	16718	16981	17240	15288	15889	16855
% CHG PREV QTR SAAR.....	3.08	1.60	2.07	4.80	4.66	5.81	5.68	6.85	5.80	6.44	6.26	4.09	3.93	6.08
% CHG SAME QTR LAST YR.....	4.32	3.95	3.53	2.88	3.27	4.33	5.24	5.75	6.03	6.19	6.34	4.09	3.93	6.08

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
 TABLE 5. TENNESSEE NONAGRICULTURAL EMPLOYMENT BY SECTOR
 THOUSANDS OF JOBS

	HISTORY					FORECAST - DATA							ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992	
TOTAL NONAGRICULTURAL.....	2181.8	2183.6	2183.2	2138.3	2184.6	2198.7	2218.7	2178.7	2230.9	2245.9	2264.5	2176.0	2185.1	2230.0	
% CHG SAME QTR LAST YR....	1.14	0.50	-0.07	-0.79	0.13	0.69	1.63	1.89	2.12	2.14	2.06	1.05	0.42	2.06	
MINING.....	6.4	6.4	6.3	6.0	6.1	6.0	6.0	5.6	5.8	5.7	5.7	6.3	6.0	5.7	
% CHG SAME QTR LAST YR....	0.00	0.00	0.21	-4.50	-4.72	-5.41	-5.55	-5.62	-5.64	-5.66	-5.68	0.45	-5.05	-5.65	
CONSTRUCTION.....	99.1	102.2	98.0	87.5	95.0	97.3	94.1	85.2	94.1	97.9	95.8	98.0	93.5	93.2	
% CHG SAME QTR LAST YR....	1.50	-0.68	-3.18	-5.75	-4.09	-4.79	-3.95	-2.61	-1.01	0.57	1.78	0.60	-4.63	-0.27	
MANUFACTURING.....	522.9	520.4	517.9	512.0	514.7	516.5	518.0	517.8	525.4	529.1	531.7	521.1	515.3	526.0	
% CHG SAME QTR LAST YR....	-0.47	-1.23	-1.52	-2.13	-1.58	-0.75	0.02	1.12	2.10	2.43	2.63	-0.50	-1.11	2.07	
DURABLE GOODS.....	260.2	258.7	258.0	256.4	257.8	257.6	258.9	260.3	264.9	265.6	267.2	259.2	257.7	264.5	
% CHG SAME QTR LAST YR....	-1.28	-0.95	-0.84	-1.31	-0.92	-0.41	0.34	1.54	2.76	3.10	3.21	-0.81	-0.58	2.65	
NONDURABLE GOODS.....	262.8	261.8	260.0	255.7	256.9	258.9	259.2	257.5	260.5	263.5	264.5	262.0	257.7	261.5	
% CHG SAME QTR LAST YR....	0.34	-1.52	-2.19	-2.94	-2.24	-1.09	-0.30	0.71	1.43	1.76	2.06	-0.19	-1.65	1.49	
TRADE.....	509.4	515.0	517.1	496.8	509.2	516.5	525.2	505.2	517.2	523.3	530.5	511.0	511.9	519.0	
% CHG SAME QTR LAST YR....	0.52	0.29	0.22	-1.16	-0.05	0.29	1.58	1.68	1.58	1.32	1.00	0.67	0.17	1.39	
SERVICES.....	480.4	486.1	475.7	471.8	492.7	504.1	501.4	494.8	514.4	523.9	518.6	477.8	492.5	512.9	
% CHG SAME QTR LAST YR....	3.00	2.52	0.53	0.57	2.56	3.70	5.39	4.89	4.42	3.92	3.43	2.71	3.07	4.15	
FIN,INS,REAL EST.....	103.7	104.2	102.8	103.2	104.7	105.4	104.6	104.1	105.7	106.5	105.6	103.4	104.5	105.5	
% CHG SAME QTR LAST YR....	-0.29	-0.32	-0.57	0.33	0.94	1.22	1.69	0.85	0.96	1.01	0.98	-0.22	1.04	0.95	
TRANS,COMM,PUB UTIL.....	115.7	116.6	116.7	114.3	116.0	116.9	117.6	116.1	118.8	120.4	121.6	115.7	116.2	119.2	
% CHG SAME QTR LAST YR....	0.29	0.06	0.13	0.22	0.26	0.25	0.75	1.56	2.44	3.06	3.42	0.54	0.37	2.63	
GOVERNMENT.....	344.1	332.8	348.7	346.6	346.3	336.0	351.9	349.8	349.5	339.1	355.2	342.4	345.2	348.4	
% CHG SAME QTR LAST YR....	2.67	1.51	1.89	0.71	0.62	0.95	0.92	0.93	0.94	0.95	0.94	2.42	0.80	0.94	
FEDERAL,CIVILIAN.....	68.0	65.6	65.0	66.5	67.5	66.9	66.3	67.8	68.8	68.2	67.6	66.0	66.8	68.1	
% CHG SAME QTR LAST YR....	8.28	3.85	3.74	1.42	-0.85	1.96	2.02	2.04	2.04	2.04	2.04	5.22	1.12	2.04	
STATE AND LOCAL.....	276.1	267.2	283.7	280.2	278.8	269.1	285.6	282.0	280.7	270.9	287.5	276.4	278.4	280.3	
% CHG SAME QTR LAST YR....	1.37	0.96	1.47	0.55	0.98	0.70	0.67	0.67	0.67	0.68	0.69	1.77	0.72	0.68	

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 6: TENNESSEE DURABLE GOODS MANUFACTURING EMPLOYMENT
THOUSANDS OF JOBS

	HISTORY				FORECAST - DATA							ANNUAL		
	1990Q2	1990Q3	1990Q4	1991Q1	1991Q2	1991Q3	1991Q4	1992Q1	1992Q2	1992Q3	1992Q4	1990	1991	1992
TOTAL DURABLE GOODS.....	260.2	258.7	258.0	256.4	257.8	257.6	258.9	260.3	264.9	265.6	267.2	259.2	257.7	264.5
% CHG SAME QTR LAST YR.....	-1.28	-0.95	-0.84	-1.31	-0.92	-0.41	0.34	1.54	2.76	3.10	3.21	-0.81	-0.58	2.65
LUMBER AND WOOD.....	21.2	20.8	20.0	19.5	20.0	20.0	19.4	19.2	20.2	20.6	20.4	20.7	19.7	20.1
% CHG SAME QTR LAST YR.....	-1.39	-2.04	-3.26	-6.17	-5.69	-3.85	-2.67	-1.21	0.84	2.97	4.81	-1.83	-4.62	1.85
FURNITURE AND FIXTURES.....	27.9	28.1	28.4	28.2	27.9	27.6	28.0	28.3	28.9	29.0	29.6	28.1	27.9	28.9
% CHG SAME QTR LAST YR.....	0.48	1.56	0.37	0.93	-0.08	-1.97	-1.44	0.38	3.61	5.14	5.82	1.48	-0.65	3.73
STONE, CLAY AND GLASS.....	14.5	14.6	14.3	13.5	13.5	13.7	13.7	13.3	13.5	14.0	14.0	14.4	13.6	13.7
% CHG SAME QTR LAST YR.....	-2.25	-0.45	-1.35	-4.80	-6.51	-6.23	-3.88	-1.76	0.16	1.67	2.14	-1.87	-5.37	0.57
PRIMARY METALS.....	15.0	14.7	14.8	14.5	14.5	14.5	14.6	14.4	14.5	14.5	14.6	14.9	14.5	14.5
% CHG SAME QTR LAST YR.....	-5.67	-5.77	-3.48	-3.39	-2.92	-1.58	-1.12	-0.73	-0.24	0.43	-0.16	-5.05	-2.26	-0.18
FABRICATED METALS.....	42.3	42.3	42.1	42.1	42.2	42.3	42.4	42.7	42.9	43.0	43.1	42.3	42.3	42.9
% CHG SAME QTR LAST YR.....	-1.48	-1.63	-1.73	-0.92	-0.35	0.07	0.70	1.24	1.76	1.55	1.53	-1.25	-0.13	1.52
NONELECTRICAL MACHINERY.....	39.6	38.2	38.9	39.3	39.5	38.3	39.0	40.1	41.0	39.7	40.2	39.0	39.0	40.2
% CHG SAME QTR LAST YR.....	-3.42	-5.76	-0.59	-0.48	-0.25	0.19	0.34	1.97	3.78	3.65	3.05	-2.23	-0.05	3.11
ELECTRICAL MACHINERY.....	38.5	37.8	38.0	37.4	37.5	38.0	38.5	38.2	38.4	39.0	39.6	38.4	37.9	38.8
% CHG SAME QTR LAST YR.....	-3.26	-6.05	-4.69	-4.61	-2.67	0.60	1.28	2.00	2.51	2.53	2.99	-3.84	-1.38	2.51
TRANSPORTATION EQUIPMENT.....	37.5	38.3	37.7	38.1	38.3	38.6	38.6	39.6	40.1	40.2	40.0	37.7	38.4	40.0
% CHG SAME QTR LAST YR.....	1.72	9.01	2.20	2.58	2.19	0.79	2.14	3.76	4.68	4.21	3.67	2.50	1.92	4.08
INSTRUMENTS.....	11.3	11.4	11.4	11.6	11.7	11.9	12.0	12.2	12.3	12.5	12.6	11.3	11.8	12.4
% CHG SAME QTR LAST YR.....	5.96	5.90	6.38	3.89	3.53	4.61	4.81	5.06	5.25	5.33	5.36	6.07	4.21	5.25
MISCELLANEOUS.....	12.4	12.5	12.4	12.2	12.7	12.7	12.7	12.5	13.1	13.1	13.1	12.4	12.6	13.0
% CHG SAME QTR LAST YR.....	0.81	1.36	3.73	-1.61	2.25	2.24	2.28	2.84	2.97	3.17	3.32	2.64	1.29	3.08

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 7: TENNESSEE NONDURABLE GOODS MANUFACTURING EMPLOYMENT
THOUSANDS OF JOBS

	HISTORY		FORECAST - DATA									ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992
TOTAL NONDURABLE GOODS.....	262.8	261.8	260.0	255.7	256.9	258.9	239.2	257.5	260.5	263.5	264.5	262.0	257.7	261.5
% CHG SAME QTR LAST YR.....	0.34	-1.52	-2.19	-2.94	-2.24	-1.09	-0.30	0.71	1.43	1.76	2.06	-0.19	-1.65	1.49
FOOD.....	38.9	39.2	38.8	38.1	38.3	38.8	38.5	38.1	38.5	39.2	39.0	38.8	38.4	38.7
% CHG SAME QTR LAST YR.....	0.43	0.43	-0.45	-0.86	-1.47	-1.16	-0.63	-0.19	0.52	0.98	1.23	0.17	-1.03	0.64
TOBACCO.....	0.8	0.7	1.0	1.1	0.8	0.7	1.0	1.1	0.8	0.7	1.0	0.9	0.9	0.9
% CHG SAME QTR LAST YR.....	0.00	-8.33	1.07	2.40	-7.72	0.18	0.00	0.00	0.00	0.00	0.00	-9.65	-1.03	0.00
TEXTILES.....	21.9	21.5	21.4	21.1	21.0	20.7	20.7	20.6	20.7	20.5	20.7	21.7	20.9	20.6
% CHG SAME QTR LAST YR.....	-4.09	-4.45	-4.38	-4.38	-3.95	-3.78	-3.29	-2.37	-1.56	-0.95	-0.21	-3.39	-3.85	-1.28
APPAREL.....	63.9	62.9	63.6	62.1	61.8	61.5	62.8	62.1	62.5	62.6	64.1	63.9	62.0	62.8
% CHG SAME QTR LAST YR.....	-1.44	-3.62	-3.87	-4.48	-3.41	-2.23	-1.38	0.05	1.24	1.75	2.11	-1.77	-2.88	1.29
PAPER.....	21.7	22.4	21.3	20.6	21.2	22.2	21.3	20.9	21.8	22.9	22.0	21.7	21.3	21.9
% CHG SAME QTR LAST YR.....	4.65	-0.15	-2.01	-4.36	-2.34	-0.59	0.23	1.61	2.51	2.90	3.19	3.00	-1.76	2.56
PRINTING AND PUBLISHING.....	37.3	37.2	37.2	37.4	38.1	38.4	38.5	38.6	39.2	39.6	39.6	37.3	38.1	39.3
% CHG SAME QTR LAST YR.....	1.54	-0.26	-0.45	0.30	1.94	3.17	3.31	3.22	3.12	3.07	3.05	1.08	2.18	3.11
CHEMICALS.....	40.3	40.1	39.3	38.9	38.7	38.9	38.4	38.5	38.5	38.7	38.4	39.9	38.7	38.5
% CHG SAME QTR LAST YR.....	3.07	0.84	-0.72	-2.88	-3.89	-3.00	-2.16	-1.09	-0.65	-0.51	-0.22	1.66	-2.99	-0.62
PETROLEUM REFINING.....	1.2	1.2	1.0	0.9	1.0	1.1	1.1	1.0	1.1	1.1	1.1	1.1	1.0	1.1
% CHG SAME QTR LAST YR.....	16.67	12.50	-6.31	-12.57	-10.01	-5.60	5.15	6.38	2.93	1.47	1.05	10.76	-5.89	2.79
RUBBER AND PLASTICS.....	27.3	27.0	26.7	26.3	26.6	26.9	27.1	27.2	27.8	28.1	28.4	27.1	26.7	27.9
% CHG SAME QTR LAST YR.....	-0.61	-2.64	-2.88	-4.07	-2.58	-0.41	1.46	3.46	4.55	4.64	4.67	-0.94	-1.42	4.34
LEATHER.....	9.4	9.5	9.5	9.2	9.4	9.7	9.7	9.5	9.7	10.1	10.3	9.5	9.5	9.9
% CHG SAME QTR LAST YR.....	-1.39	-3.70	-3.55	-3.56	-0.40	1.61	1.81	2.90	3.37	4.28	5.55	-0.92	-0.14	4.04

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 8: TENNESSEE NONAGRICULTURAL EMPLOYMENT BY SECTOR
THOUSANDS OF SEASONALLY ADJUSTED JOBS

	HISTORY		FORECAST - DATA									ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992
TOTAL NONAGRICULTURAL.....	2175.0	2173.8	2166.3	2171.6	2177.8	2188.8	2201.8	2212.6	2224.0	2235.6	2247.4	2176.1	2185.0	2229.9
% CHG PREV QTR SAAR.....	-2.57	-0.23	-1.37	0.98	1.15	2.04	2.39	1.97	2.07	2.11	2.14	1.06	0.41	2.05
% CHG SAME QTR LAST YR....	1.14	0.49	-0.07	-0.81	0.13	0.69	1.64	1.89	2.12	2.14	2.07	1.06	0.41	2.05
MINING.....	6.4	6.3	6.2	6.2	6.1	6.0	5.9	5.8	5.7	5.6	5.6	6.3	6.0	5.7
% CHG PREV QTR SAAR.....	-4.76	-2.79	-5.13	-5.40	-5.56	-5.62	-5.63	-5.65	-5.67	-5.68	-5.71	0.45	-5.05	-5.65
% CHG SAME QTR LAST YR....	-0.03	-0.04	0.28	-4.53	-4.73	-5.43	-5.55	-5.62	-5.64	-5.66	-5.68	0.45	-5.05	-5.65
CONSTRUCTION.....	97.8	97.6	96.3	95.0	93.8	92.9	92.5	92.5	92.9	93.5	94.1	98.1	93.5	93.2
% CHG PREV QTR SAAR.....	-11.22	-0.99	-5.23	-5.32	-4.81	-3.67	-1.95	0.06	1.60	2.62	2.85	0.73	-4.65	-0.34
% CHG SAME QTR LAST YR....	1.47	-0.61	-3.18	-5.76	-4.10	-4.76	-3.95	-2.61	-1.01	0.57	1.78	0.73	-4.65	-0.34
MANUFACTURING.....	521.8	519.1	517.4	515.0	513.5	515.2	517.5	520.8	524.3	527.7	531.1	521.2	515.3	526.0
% CHG PREV QTR SAAR.....	-3.47	-2.02	-1.34	-1.78	-1.19	1.33	1.78	2.59	2.66	2.67	2.61	-0.49	-1.12	2.07
% CHG SAME QTR LAST YR....	-0.46	-1.26	-1.51	-2.15	-1.58	-0.75	0.03	1.12	2.09	2.43	2.64	-0.49	-1.12	2.07
DURABLE GOODS.....	258.9	258.7	258.2	257.4	256.5	257.7	259.1	261.3	263.6	265.6	267.4	259.2	257.7	264.5
% CHG PREV QTR SAAR.....	-2.94	-0.27	-0.84	-1.27	-1.27	1.77	2.23	3.44	3.61	3.13	2.66	-0.81	-0.58	2.65
% CHG SAME QTR LAST YR....	-1.26	-0.97	-0.83	-1.34	-0.91	-0.41	0.35	1.53	2.76	3.10	3.21	-0.81	-0.58	2.65
NONDURABLE GOODS.....	262.9	260.4	259.2	257.7	257.0	257.6	258.4	259.5	260.6	262.1	263.7	262.0	257.7	261.5
% CHG PREV QTR SAAR.....	-3.98	-3.71	-1.85	-2.28	-1.11	0.90	1.34	1.75	1.71	2.21	2.57	-0.17	-1.66	1.49
% CHG SAME QTR LAST YR....	0.35	-1.53	-2.18	-2.96	-2.24	-1.09	-0.30	0.71	1.43	1.75	2.06	-0.17	-1.66	1.49
TRADE.....	510.5	511.3	507.8	508.6	510.3	512.8	515.9	517.1	518.3	519.6	521.0	511.1	511.9	519.0
% CHG PREV QTR SAAR.....	-3.12	0.61	-2.70	0.60	1.34	2.01	2.38	0.99	0.94	0.98	1.08	0.68	0.16	1.39
% CHG SAME QTR LAST YR....	0.52	0.29	0.22	-1.17	-0.05	0.29	1.58	1.68	1.58	1.32	1.00	0.68	0.16	1.39
SERVICES.....	477.0	477.9	476.5	482.8	489.2	495.6	502.2	506.4	510.8	515.0	519.4	477.8	492.4	512.9
% CHG PREV QTR SAAR.....	-2.55	0.76	-1.17	5.42	5.38	5.37	5.39	3.44	3.49	3.38	3.43	2.73	3.05	4.16
% CHG SAME QTR LAST YR....	3.00	2.53	0.52	0.57	2.56	3.71	5.39	4.89	4.42	3.92	3.43	2.73	3.05	4.16
FIN.INS.REAL EST.....	103.4	103.3	103.1	104.2	104.4	104.6	104.8	105.1	105.4	105.6	105.8	103.4	104.5	105.5
% CHG PREV QTR SAAR.....	-1.86	-0.30	-0.91	4.49	0.60	0.74	0.96	1.08	1.07	0.92	0.84	-0.22	1.04	0.95
% CHG SAME QTR LAST YR....	-0.27	-0.33	-0.58	0.33	0.95	1.21	1.69	0.85	0.96	1.01	0.98	-0.22	1.04	0.95
TRANS.COMM.PUB UTIL.....	115.6	115.9	115.9	115.9	115.9	116.2	116.8	117.7	118.7	119.7	120.8	115.8	116.2	119.2
% CHG PREV QTR SAAR.....	-0.23	1.00	0.16	-0.10	-0.09	1.08	2.13	3.14	3.42	3.54	3.57	0.55	0.37	2.62
% CHG SAME QTR LAST YR....	0.26	0.09	0.16	0.21	0.24	0.26	0.75	1.56	2.44	3.06	3.42	0.55	0.37	2.62
GOVERNMENT.....	342.6	342.4	343.2	344.0	344.8	345.5	346.4	347.2	348.0	348.8	349.6	342.4	345.2	348.4
% CHG PREV QTR SAAR.....	1.34	-0.23	0.89	0.93	0.97	0.92	0.93	0.94	0.94	0.95	0.96	2.41	0.80	0.94
% CHG SAME QTR LAST YR....	2.67	1.45	1.90	0.73	0.63	0.92	0.93	0.93	0.94	0.94	0.95	2.41	0.80	0.94
FEDERAL.CIVILIAN.....	67.2	65.6	65.9	66.3	66.6	66.9	67.3	67.6	68.0	68.3	68.6	66.0	66.8	68.1
% CHG PREV QTR SAAR.....	11.85	-8.88	1.82	1.99	2.03	2.03	2.04	2.04	2.04	2.04	2.04	5.20	1.12	2.04
% CHG SAME QTR LAST YR....	8.22	3.87	3.74	1.43	-0.88	1.97	2.02	2.04	2.04	2.04	2.04	5.20	1.12	2.04
STATE AND LOCAL.....	275.4	276.8	277.2	277.7	278.2	278.6	279.1	279.6	280.0	280.5	281.0	276.4	278.4	280.3
% CHG PREV QTR SAAR.....	-1.04	1.97	0.67	0.68	0.66	0.66	0.67	0.68	0.68	0.69	0.70	1.77	0.72	0.68
% CHG SAME QTR LAST YR....	1.40	0.89	1.47	0.57	0.99	0.67	0.67	0.67	0.67	0.68	0.69	1.77	0.72	0.68

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 PDATE
TABLE 9 TENNESSEE DURABLE GOODS MANUFACTURING EMPLOYMENT
THOUSANDS OF SEASONALLY ADJUSTED JOBS

	HISTORY					FORECAST - DATA							ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992	
TOTAL DURABLE GOODS.....	258.9	258.7	258.2	257.4	256.5	257.7	259.1	261.3	263.6	265.6	267.4	259.2	257.7	264.5	
% CHG PREV QTR SAAR.....	-2.94	-0.27	-0.84	-1.27	-1.27	1.77	2.23	3.44	3.61	3.13	2.66	-0.81	-0.58	2.65	
% CHG SAME QTR LAST YR.....	-1.26	-0.97	-0.83	-1.34	-0.91	-0.41	0.35	1.53	2.76	3.10	3.21	-0.81	-0.58	2.65	
LUMBER AND WOOD.....	20.9	20.4	20.1	19.9	19.8	19.6	19.6	19.7	19.9	20.2	20.5	20.7	19.7	20.1	
% CHG PREV QTR SAAR.....	-5.29	-9.60	-5.70	-4.18	-2.98	-2.43	-1.08	1.72	5.31	6.09	6.16	-1.83	-4.62	1.84	
% CHG SAME QTR LAST YR.....	-1.31	-2.00	-3.31	-6.22	-5.65	-3.83	-2.67	-1.21	0.84	2.97	4.81	-1.83	-4.62	1.84	
FURNITURE AND FIXTURES.....	27.8	28.3	28.3	28.2	27.8	27.8	27.9	28.3	28.8	29.2	29.5	28.1	27.9	28.9	
% CHG PREV QTR SAAR.....	-1.58	7.25	-0.44	-1.24	-5.49	-0.61	1.72	6.28	7.28	5.38	4.35	1.49	-0.65	3.73	
% CHG SAME QTR LAST YR.....	0.48	1.57	0.38	0.93	-0.08	-1.97	-1.44	0.38	3.61	5.14	5.82	1.49	-0.65	3.73	
STONE,CLAY AND GLASS.....	14.6	14.4	14.1	13.8	13.6	13.5	13.6	13.6	13.6	13.8	13.8	14.4	13.6	13.7	
% CHG PREV QTR SAAR.....	1.92	-3.75	-8.86	-8.05	-5.23	-2.65	0.59	0.38	2.39	3.35	2.48	-1.88	-5.36	0.54	
% CHG SAME QTR LAST YR.....	-2.23	-0.44	-1.40	-4.78	-6.50	-6.23	-3.88	-1.76	0.16	1.67	2.14	-1.88	-5.36	0.54	
PRIMARY METALS.....	15.0	14.7	14.7	14.6	14.5	14.5	14.5	14.5	14.5	14.5	14.5	14.9	14.5	14.5	
% CHG PREV QTR SAAR.....	-4.14	-6.39	-0.63	-2.11	-2.57	-1.06	1.29	-0.56	-0.61	1.61	-1.07	-5.05	-2.26	-0.18	
% CHG SAME QTR LAST YR.....	-5.72	-5.79	-3.49	-3.34	-2.95	-1.60	-1.12	-0.73	-0.24	0.43	-0.16	-5.05	-2.26	-0.18	
FABRICATED METALS.....	42.3	42.3	42.1	42.1	42.1	42.3	42.4	42.7	42.9	43.0	43.1	42.3	42.3	42.9	
% CHG PREV QTR SAAR.....	-2.36	-0.14	-1.31	0.08	0.00	1.47	1.27	2.23	2.07	0.61	1.22	-1.26	-0.13	1.52	
% CHG SAME QTR LAST YR.....	-1.46	-1.66	-1.72	-0.94	-0.34	0.06	0.70	1.24	1.76	1.55	1.53	-1.26	-0.13	1.52	
NONELECTRICAL MACHINERY.....	38.8	38.9	39.2	39.1	38.7	39.0	39.3	39.8	40.2	40.4	40.5	39.0	39.0	40.2	
% CHG PREV QTR SAAR.....	-4.24	1.20	2.75	-1.28	-3.49	2.68	3.61	5.30	3.55	2.14	1.26	-2.25	-0.05	3.11	
% CHG SAME QTR LAST YR.....	-3.39	-5.86	-0.62	-0.43	-0.23	0.13	0.34	1.97	3.78	3.65	3.05	-2.25	-0.05	3.11	
ELECTRICAL MACHINERY.....	38.7	37.8	37.6	37.6	37.7	38.0	38.1	38.4	38.6	39.0	39.2	38.4	37.9	38.8	
% CHG PREV QTR SAAR.....	-6.85	-9.65	-1.44	-0.20	1.00	3.10	1.25	2.67	3.05	3.18	3.05	-3.84	-1.40	2.51	
% CHG SAME QTR LAST YR.....	-3.25	-6.05	-4.70	-4.61	-2.66	0.60	1.28	2.00	2.51	2.53	2.99	-3.84	-1.40	2.51	
TRANSPORTATION EQUIPMENT.....	37.2	38.3	38.2	38.0	38.1	38.6	39.0	39.4	39.9	40.2	40.4	37.7	38.4	40.0	
% CHG PREV QTR SAAR.....	2.00	11.22	-0.80	-1.81	0.79	5.13	4.60	4.58	4.39	3.27	2.46	2.50	1.91	4.08	
% CHG SAME QTR LAST YR.....	1.78	9.01	2.24	2.53	2.22	0.79	2.14	3.76	4.68	4.21	3.67	2.50	1.91	4.08	
INSTRUMENTS.....	11.3	11.3	11.4	11.6	11.7	11.8	12.0	12.1	12.3	12.5	12.6	11.3	11.8	12.4	
% CHG PREV QTR SAAR.....	6.09	0.62	4.47	4.42	4.58	5.02	5.23	5.40	5.34	5.36	5.34	6.07	4.21	5.25	
% CHG SAME QTR LAST YR.....	5.92	5.93	6.39	3.88	3.51	4.63	4.81	5.06	5.25	5.33	5.36	6.07	4.21	5.25	
MISCELLANEOUS.....	12.2	12.3	12.4	12.5	12.5	12.6	12.7	12.8	12.9	13.0	13.1	12.4	12.6	13.0	
% CHG PREV QTR SAAR.....	-13.00	2.82	3.34	1.11	1.61	3.10	3.33	3.32	2.15	3.87	3.93	2.66	1.26	3.07	
% CHG SAME QTR LAST YR.....	0.76	1.46	3.79	-1.67	2.22	2.29	2.28	2.84	2.97	3.17	3.32	2.66	1.26	3.07	

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 10: TENNESSEE NONDURABLE GOODS MANUFACTURING EMPLOYMENT
THOUSANDS OF SEASONALLY ADJUSTED JOBS

	HISTORY			FORECAST - DATA								ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992
TOTAL NONDURABLE GOODS.....	262.9	260.4	259.2	257.7	257.0	257.6	258.4	259.5	260.6	262.1	263.7	262.0	257.7	261.5
% CHG PREV QTR SAAR.....	-3.98	-3.71	-1.85	-2.28	-1.11	0.90	1.34	1.75	1.71	2.21	2.57	-0.17	-1.66	1.49
% CHG SAME QTR LAST YR.....	0.35	-1.53	-2.18	-2.96	-2.24	-1.09	-0.30	0.71	1.43	1.75	2.06	-0.17	-1.66	1.49
FOOD.....	39.0	38.8	38.6	38.6	38.4	38.4	38.4	38.5	38.6	38.8	38.9	38.8	38.4	38.7
% CHG PREV QTR SAAR.....	0.88	-1.83	-1.62	-0.96	-1.49	-0.30	0.22	0.81	1.34	1.53	1.26	0.17	-1.02	0.63
% CHG SAME QTR LAST YR.....	0.41	0.56	-0.49	-0.89	-1.48	-1.09	-0.63	-0.19	0.52	0.98	1.23	0.17	-1.02	0.63
TOBACCO.....	1.0	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9
% CHG PREV QTR SAAR.....	53.53	-27.66	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-8.66	-1.44	0.00
% CHG SAME QTR LAST YR.....	-0.13	-8.66	0.97	2.66	-7.78	0.00	0.00	0.00	0.00	0.00	0.00	-8.66	-1.44	0.00
TEXTILES.....	21.8	21.6	21.4	21.1	20.9	20.8	20.7	20.6	20.6	20.6	20.6	21.7	20.9	20.6
% CHG PREV QTR SAAR.....	-5.51	-3.07	-3.99	-4.94	-3.89	-2.19	-2.13	-1.24	-0.66	0.24	0.82	-3.39	-3.86	-1.28
% CHG SAME QTR LAST YR.....	-4.14	-4.41	-4.38	-4.38	-3.98	-3.76	-3.29	-2.37	-1.56	-0.95	-0.21	-3.39	-3.86	-1.28
APPAREL.....	64.0	63.3	63.0	62.3	61.8	61.9	62.1	62.4	62.6	62.9	63.4	63.9	62.0	62.8
% CHG PREV QTR SAAR.....	-7.63	-4.40	-1.99	-3.89	-3.29	0.25	1.53	1.80	1.39	2.28	2.98	-1.76	-2.89	1.29
% CHG SAME QTR LAST YR.....	-1.41	-3.64	-3.86	-4.50	-3.39	-2.24	-1.38	0.05	1.24	1.75	2.11	-1.76	-2.89	1.29
PAPER.....	21.8	21.5	21.4	21.3	21.3	21.3	21.5	21.6	21.8	22.0	22.2	21.7	21.3	21.9
% CHG PREV QTR SAAR.....	-8.81	-4.83	-1.09	-2.53	-0.65	1.71	2.46	2.94	2.93	3.26	3.62	3.08	-1.79	2.55
% CHG SAME QTR LAST YR.....	4.75	-0.27	-1.99	-4.36	-2.29	-0.65	0.23	1.61	2.51	2.90	3.19	3.08	-1.79	2.55
PRINTING AND PUBLISHING.....	37.2	37.1	37.3	37.6	37.9	38.2	38.5	38.8	39.1	39.4	39.7	37.3	38.1	39.3
% CHG PREV QTR SAAR.....	-3.11	-1.51	2.53	3.42	3.42	3.27	3.13	3.05	3.04	3.05	3.07	1.09	2.17	3.11
% CHG SAME QTR LAST YR.....	1.54	-0.30	-0.43	0.30	1.94	3.16	3.31	3.22	3.12	3.07	3.05	1.09	2.17	3.11
CHEMICALS.....	40.3	39.9	39.4	39.0	38.7	38.7	38.6	38.5	38.5	38.5	38.5	39.9	38.7	38.5
% CHG PREV QTR SAAR.....	1.64	-4.15	-4.07	-4.82	-2.49	-0.61	-0.65	-0.59	-0.76	-0.04	0.54	1.66	-2.99	-0.62
% CHG SAME QTR LAST YR.....	3.06	0.83	-0.72	-2.88	-3.89	-3.01	-2.16	-1.09	-0.65	-0.51	-0.22	1.66	-2.99	-0.62
PETROLEUM REFINING.....	1.2	1.1	1.0	1.0	1.0	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.0	1.1
% CHG PREV QTR SAAR.....	4.09	-12.05	-33.15	-3.74	15.32	7.02	2.91	0.85	1.04	1.08	1.22	11.13	-6.08	2.91
% CHG SAME QTR LAST YR.....	16.39	12.52	-6.32	-12.39	-10.12	-5.60	5.15	6.38	2.93	1.47	1.05	11.13	-6.08	2.91
RUBBER AND PLASTICS.....	27.2	26.9	26.7	26.5	26.5	26.8	27.1	27.4	27.7	28.0	28.3	27.1	26.7	27.9
% CHG PREV QTR SAAR.....	-5.58	-4.81	-3.15	-2.72	0.40	4.01	4.32	5.18	4.71	4.33	4.46	-0.93	-1.43	4.33
% CHG SAME QTR LAST YR.....	-0.62	-2.64	-2.86	-4.07	-2.59	-0.41	1.46	3.46	4.55	4.64	4.67	-0.93	-1.43	4.33
LEATHER.....	9.5	9.4	9.4	9.4	9.5	9.5	9.6	9.7	9.8	9.9	10.1	9.5	9.5	9.9
% CHG PREV QTR SAAR.....	-9.88	-5.45	1.91	-0.29	2.35	2.72	2.49	4.05	4.23	6.37	7.59	-0.85	-0.15	4.03
% CHG SAME QTR LAST YR.....	-1.42	-3.59	-3.63	-3.54	-0.42	1.67	1.81	2.90	3.37	4.28	5.55	-0.85	-0.15	4.03

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TABLE 11: TENNESSEE AVERAGE HOURLY EARNINGS
SELECTED DURABLE GOODS MANUFACTURING PRODUCTION WORKERS
1982 DOLLARS

	HISTORY				FORECAST - DATA							ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992
TOTAL DURABLE GOODS.....	7.30	7.31	7.33	7.32	7.29	7.30	7.38	7.40	7.40	7.41	7.49	7.30	7.32	7.43
% CHG SAME QTR LAST YR.....	-2.03	-0.43	0.44	0.85	-0.03	-0.04	0.69	1.20	1.40	1.49	1.48	-1.63	0.37	1.39
LUMBER AND WOOD.....	4.82	4.86	4.85	4.80	4.84	4.88	4.87	4.82	4.87	4.91	4.90	4.82	4.84	4.87
% CHG SAME QTR LAST YR.....	-0.02	-0.06	0.24	1.03	0.35	0.23	0.32	0.51	0.58	0.66	0.72	-0.95	0.48	0.62
FURNITURE AND FIXTURES.....	6.16	6.23	6.15	6.21	6.24	6.21	6.21	6.28	6.33	6.29	6.29	6.17	6.22	6.30
% CHG SAME QTR LAST YR.....	0.83	1.72	0.90	1.27	1.31	-0.32	1.03	1.20	1.39	1.25	1.32	0.82	0.82	1.29
STONE, CLAY AND GLASS.....	9.36	8.89	9.14	9.35	9.22	8.95	9.28	9.50	9.36	9.08	9.42	9.10	9.20	9.34
% CHG SAME QTR LAST YR.....	-3.38	-4.33	-5.44	3.56	-1.48	0.70	1.52	1.60	1.53	1.51	1.53	-7.60	1.05	1.54
PRIMARY METALS.....	8.32	9.25	10.28	10.12	10.16	10.41	10.38	10.23	10.26	10.52	10.50	9.14	10.27	10.38
% CHG SAME QTR LAST YR.....	-6.43	2.19	13.98	16.44	22.06	12.55	0.93	1.09	1.00	1.05	1.22	1.51	12.37	1.09
FABRICATED METALS.....	7.56	7.55	7.46	7.57	7.51	7.59	7.54	7.65	7.59	7.68	7.63	7.58	7.55	7.64
% CHG SAME QTR LAST YR.....	-4.68	-5.73	-4.74	-2.05	-0.70	0.52	1.01	1.09	1.10	1.15	1.19	-4.64	-0.32	1.13
MACHINERY.....	7.59	6.90	6.80	6.89	6.95	6.90	6.97	7.02	7.05	6.99	7.06	7.11	6.93	7.03
% CHG SAME QTR LAST YR.....	4.84	-3.83	-1.21	-3.29	-8.47	-0.12	2.52	1.86	1.50	1.35	1.29	-0.79	-2.52	1.50
INSTRUMENTS.....	6.73	7.00	6.84	6.94	6.89	6.90	6.83	6.96	6.93	6.94	6.88	6.95	6.89	6.93
% CHG SAME QTR LAST YR.....	-10.94	-6.98	-8.54	-3.91	2.44	-1.40	-0.18	0.31	0.49	0.62	0.74	-7.76	-0.82	0.54

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 12: TENNESSEE AVERAGE HOURLY EARNINGS
SELECTED NONDURABLE GOODS MANUFACTURING PRODUCTION WORKERS
1982 DOLLARS

	HISTORY					FORECAST - DATA						ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992
TOTAL NONDURABLE GOODS.....	6.78	6.79	6.75	6.73	6.75	6.78	6.80	6.80	6.82	6.86	6.88	6.75	6.76	6.84
% CHG SAME QTR LAST YR.....	0.27	0.46	-0.17	0.36	-0.41	-0.13	0.81	1.10	1.13	1.13	1.12	-0.22	0.16	1.12
FOOD.....	6.48	6.49	6.44	6.46	6.48	6.46	6.48	6.51	6.52	6.51	6.53	6.48	6.47	6.52
% CHG SAME QTR LAST YR.....	-3.37	-1.78	-1.08	-0.68	-0.09	-0.41	0.60	0.80	0.70	0.78	0.76	-2.47	-0.14	0.76
TEXTILES.....	5.67	5.92	5.72	5.70	5.70	5.80	5.73	5.73	5.74	5.83	5.77	5.71	5.73	5.77
% CHG SAME QTR LAST YR.....	-1.21	1.35	0.04	2.61	0.65	-2.04	0.29	0.54	0.59	0.60	0.62	-0.83	0.34	0.59
APPAREL.....	4.53	4.55	4.39	4.42	4.41	4.40	4.40	4.44	4.43	4.41	4.41	4.48	4.41	4.42
% CHG SAME QTR LAST YR.....	2.18	1.85	-2.00	-0.36	-2.60	-3.31	0.19	0.41	0.42	0.40	0.39	0.19	-1.55	0.41
PAPER.....	9.04	8.56	8.82	8.94	8.95	8.76	8.93	9.06	9.08	8.88	9.05	8.84	8.89	9.02
% CHG SAME QTR LAST YR.....	1.05	-2.50	-1.59	0.07	-0.92	2.29	1.18	1.38	1.39	1.37	1.36	-1.33	0.63	1.38
CHEMICALS.....	8.81	9.09	8.98	8.86	8.95	9.13	9.05	8.95	9.05	9.23	9.15	8.86	9.00	9.09
% CHG SAME QTR LAST YR.....	-3.68	-1.42	0.83	3.30	1.65	0.51	0.80	1.02	1.06	1.05	1.06	-2.85	1.54	1.05
RUBBER.....	8.35	8.09	8.20	8.11	8.18	8.09	8.28	8.20	8.27	8.18	8.38	8.23	8.16	8.26
% CHG SAME QTR LAST YR.....	-0.08	0.66	-1.51	-1.97	-2.06	-0.09	0.92	1.21	1.13	1.19	1.17	-0.32	-0.81	1.18
LEATHER.....	4.99	4.84	4.78	4.97	4.94	4.86	4.81	5.01	4.98	4.89	4.84	4.93	4.90	4.93
% CHG SAME QTR LAST YR.....	-0.27	-0.30	-0.92	-2.84	-0.90	0.39	0.58	0.77	0.76	0.71	0.68	-0.24	-0.73	0.73

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 13: TENNESSEE AVERAGE HOURLY EARNINGS
SELECTED DURABLE GOODS MANUFACTURING PRODUCTION WORKERS
SEASONALLY ADJUSTED 1982 DOLLARS

	HISTORY			FORECAST - DATA								ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992
TOTAL DURABLE GOODS.....	7.32	7.34	7.30	7.29	7.31	7.33	7.35	7.38	7.42	7.44	7.46	7.30	7.32	7.43
% CHG PREV QTR SAAR.....	4.73	1.08	-1.79	-0.52	1.08	1.14	1.06	1.52	1.89	1.49	1.02	-1.63	0.36	1.39
% CHG SAME QTR LAST YR.....	-2.06	-0.40	0.45	0.85	-0.04	-0.03	0.69	1.20	1.40	1.49	1.48	-1.63	0.36	1.39
LUMBER AND WOOD.....	4.82	4.84	4.84	4.83	4.84	4.85	4.85	4.86	4.87	4.88	4.89	4.82	4.84	4.87
% CHG PREV QTR SAAR.....	3.47	1.17	-0.30	-0.12	0.76	0.46	0.19	0.61	1.06	0.77	0.44	-0.96	0.48	0.62
% CHG SAME QTR LAST YR.....	0.03	-0.12	0.23	1.04	0.37	0.20	0.32	0.51	0.58	0.66	0.72	-0.96	0.48	0.62
FURNITURE AND FIXTURES.....	6.13	6.26	6.18	6.19	6.21	6.24	6.25	6.26	6.29	6.31	6.33	6.17	6.22	6.30
% CHG PREV QTR SAAR.....	1.06	8.72	-4.69	0.40	1.24	1.83	0.65	1.09	1.99	1.27	0.93	0.82	0.81	1.29
% CHG SAME QTR LAST YR.....	0.83	1.68	0.94	1.26	1.31	-0.34	1.03	1.20	1.39	1.25	1.32	0.82	0.81	1.29
STONE, CLAY AND GLASS.....	9.33	9.15	9.12	9.14	9.19	9.23	9.25	9.29	9.33	9.36	9.39	9.11	9.20	9.34
% CHG PREV QTR SAAR.....	24.59	-7.47	-1.57	1.11	2.11	1.65	1.20	1.44	1.83	1.55	1.27	-7.53	1.04	1.54
% CHG SAME QTR LAST YR.....	-3.47	-4.11	-5.45	3.50	-1.52	0.82	1.52	1.60	1.53	1.51	1.53	-7.53	1.04	1.54
PRIMARY METALS.....	8.41	9.14	10.20	10.22	10.26	10.29	10.30	10.33	10.36	10.39	10.42	9.13	10.27	10.38
% CHG PREV QTR SAAR.....	-15.49	39.67	55.14	0.70	1.59	0.99	0.43	1.35	1.24	1.19	1.09	1.46	12.43	1.09
% CHG SAME QTR LAST YR.....	-6.50	2.14	13.98	16.53	22.02	12.52	0.93	1.09	1.00	1.05	1.22	1.46	12.43	1.09
FABRICATED METALS.....	7.60	7.53	7.50	7.52	7.54	7.56	7.58	7.60	7.63	7.65	7.67	7.58	7.55	7.64
% CHG PREV QTR SAAR.....	-3.70	-3.86	-1.30	0.82	1.48	1.05	0.71	1.11	1.54	1.23	0.88	-4.64	-0.32	1.13
% CHG SAME QTR LAST YR.....	-4.75	-5.76	-4.69	-2.03	-0.74	0.51	1.01	1.09	1.10	1.15	1.19	-4.64	-0.32	1.13
MACHINERY.....	7.56	6.96	6.80	6.87	6.92	6.95	6.97	6.99	7.02	7.05	7.06	7.11	6.93	7.03
% CHG PREV QTR SAAR.....	28.41	-28.24	-8.79	3.97	3.11	1.88	1.14	1.32	1.65	1.29	0.91	-0.81	-2.51	1.50
% CHG SAME QTR LAST YR.....	4.82	-3.78	-1.21	-3.32	-8.48	-0.10	2.52	1.86	1.50	1.35	1.29	-0.81	-2.51	1.50
INSTRUMENTS.....	6.73	6.99	6.91	6.89	6.89	6.89	6.90	6.91	6.92	6.94	6.95	6.95	6.89	6.93
% CHG PREV QTR SAAR.....	-22.35	16.76	-4.65	-1.38	0.26	0.28	0.15	0.54	1.00	0.80	0.61	-7.77	-0.82	0.54
% CHG SAME QTR LAST YR.....	-10.96	-6.97	-8.52	-3.91	2.43	-1.39	-0.18	0.31	0.49	0.62	0.74	-7.77	-0.82	0.54

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TABLE 14: TENNESSEE AVERAGE HOURLY EARNINGS
SELECTED NONDURABLE GOODS MANUFACTURING PRODUCTION WORKERS
SEASONALLY ADJUSTED 1982 DOLLARS

	HISTORY					FORECAST - DATA						ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992
TOTAL NONDURABLE GOODS.....	6.79	6.78	6.74	6.74	6.76	6.78	6.79	6.81	6.83	6.85	6.87	6.75	6.77	6.84
% CHG PREV QTR SAAR.....	4.52	-0.12	-2.82	-0.03	1.31	1.13	0.84	1.10	1.45	1.12	0.82	-0.22	0.15	1.12
% CHG SAME QTR LAST YR.....	0.23	0.49	-0.15	0.35	-0.43	-0.12	0.81	1.10	1.13	1.13	1.12	-0.22	0.15	1.12
FOOD.....	6.47	6.50	6.45	6.45	6.46	6.47	6.48	6.50	6.51	6.52	6.53	6.48	6.47	6.52
% CHG PREV QTR SAAR.....	-1.07	1.88	-3.42	0.07	1.16	0.54	0.65	0.87	0.76	0.85	0.56	-2.47	-0.15	0.76
% CHG SAME QTR LAST YR.....	-3.38	-1.81	-1.08	-0.65	-0.10	-0.43	0.60	0.60	0.70	0.78	0.76	-2.47	-0.15	0.76
TEXTILES.....	5.69	5.86	5.73	5.72	5.73	5.74	5.74	5.75	5.76	5.77	5.78	5.71	5.73	5.77
% CHG PREV QTR SAAR.....	8.90	12.21	-8.80	-0.42	0.71	0.57	0.30	0.56	0.92	0.63	0.38	-0.83	0.35	0.59
% CHG SAME QTR LAST YR.....	-1.20	1.28	0.07	2.64	0.65	-2.07	0.29	0.54	0.59	0.60	0.62	-0.83	0.35	0.59
APPAREL.....	4.52	4.56	4.40	4.40	4.40	4.41	4.41	4.42	4.42	4.43	4.43	4.48	4.41	4.42
% CHG PREV QTR SAAR.....	10.37	3.42	-13.17	-0.49	0.64	0.46	0.15	0.38	0.70	0.38	0.10	0.20	-1.55	0.41
% CHG SAME QTR LAST YR.....	2.15	1.83	-1.99	-0.34	-2.62	-3.32	0.19	0.41	0.42	0.40	0.39	0.20	-1.55	0.41
PAPER.....	8.96	8.71	8.83	8.85	8.88	8.91	8.94	8.97	9.01	9.04	9.06	8.84	8.89	9.02
% CHG PREV QTR SAAR.....	5.45	-10.92	5.87	0.55	1.63	1.44	1.12	1.34	1.67	1.35	1.07	-1.34	0.64	1.38
% CHG SAME QTR LAST YR.....	1.05	-2.39	-1.57	0.00	-0.92	2.35	1.18	1.38	1.39	1.37	1.36	-1.34	0.64	1.38
CHEMICALS.....	8.84	8.97	8.96	8.96	8.99	9.01	9.03	9.05	9.08	9.11	9.13	8.86	9.00	9.09
% CHG PREV QTR SAAR.....	8.24	5.78	-0.49	0.12	1.23	1.07	0.77	1.02	1.37	1.06	0.79	-2.86	1.55	1.05
% CHG SAME QTR LAST YR.....	-3.71	-1.47	0.85	3.35	1.63	0.48	0.80	1.02	1.06	1.05	1.06	-2.86	1.55	1.05
RUBBER AND PLASTICS.....	8.33	8.18	8.12	8.12	8.16	8.18	8.19	8.22	8.25	8.28	8.29	8.23	8.16	8.26
% CHG PREV QTR SAAR.....	2.14	-7.04	-2.98	0.19	1.64	1.10	0.78	1.34	1.32	1.32	0.70	-0.31	-0.81	1.18
% CHG SAME QTR LAST YR.....	-0.18	0.78	-1.49	-1.98	-2.11	-0.03	0.92	1.21	1.13	1.19	1.17	-0.31	-0.81	1.18
LEATHER.....	4.94	4.88	4.88	4.88	4.89	4.90	4.91	4.92	4.93	4.94	4.94	4.93	4.90	4.93
% CHG PREV QTR SAAR.....	-6.73	-4.45	-0.11	-0.05	1.05	0.84	0.50	0.70	1.00	0.65	0.35	-0.25	-0.71	0.73
% CHG SAME QTR LAST YR.....	-0.29	-0.22	-0.91	-2.88	-0.91	0.43	0.58	0.77	0.76	0.71	0.68	-0.25	-0.71	0.73

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TABLE 15: TENNESSEE AVERAGE HOURLY EARNINGS
-SELECTED DURABLE GOODS MANUFACTURING PRODUCTION WORKERS
CURRENT DOLLARS

	HISTORY		FORECAST - DATA									ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992
TOTAL DURABLE GOODS.....	9.86	10.00	10.24	10.35	10.42	10.53	10.76	10.90	10.98	11.12	11.36	9.96	10.52	11.09
% CHG SAME QTR LAST YR.....	2.28	4.71	6.47	6.50	5.62	5.29	5.03	5.25	5.44	5.56	5.58	3.40	5.60	5.46
LUMBER AND WOOD.....	6.52	6.66	6.78	6.79	6.91	7.03	7.09	7.10	7.23	7.36	7.43	6.58	6.96	7.28
% CHG SAME QTR LAST YR.....	4.38	5.10	6.26	6.70	6.02	5.58	4.65	4.53	4.58	4.69	4.79	4.11	5.72	4.65
FURNITURE AND FIXTURES.....	8.33	8.54	8.59	8.78	8.92	8.96	9.05	9.25	9.40	9.44	9.54	8.42	8.93	9.41
% CHG SAME QTR LAST YR.....	5.26	6.98	6.95	6.94	7.03	5.00	5.39	5.25	5.42	5.30	5.41	5.95	6.08	5.35
STONE,CLAY AND GLASS.....	12.65	12.17	12.77	13.24	13.17	12.91	13.52	13.99	13.90	13.62	14.28	12.42	13.21	13.95
% CHG SAME QTR LAST YR.....	0.88	0.61	0.24	9.36	4.09	6.07	5.90	5.67	5.57	5.57	5.62	-2.86	6.32	5.61
PRIMARY METALS.....	11.25	12.67	14.37	14.32	14.51	15.02	15.12	15.05	15.24	15.79	15.93	12.48	14.74	15.50
% CHG SAME QTR LAST YR.....	-2.32	7.46	20.82	22.97	28.96	18.55	5.28	5.14	5.02	5.10	5.30	6.80	18.11	5.14
FABRICATED METALS.....	10.23	10.34	10.43	10.71	10.73	10.95	10.99	11.26	11.28	11.51	11.57	10.34	10.84	11.40
% CHG SAME QTR LAST YR.....	-0.49	-0.86	0.98	3.44	4.91	5.89	5.37	5.14	5.13	5.20	5.27	0.20	4.90	5.18
MACHINERY.....	10.27	9.45	9.49	9.76	9.93	9.95	10.15	10.34	10.48	10.48	10.70	9.69	9.95	10.50
% CHG SAME QTR LAST YR.....	9.45	1.14	4.72	2.13	-3.30	5.21	6.94	5.94	5.54	5.41	5.38	4.23	2.62	5.57
INSTRUMENTS.....	9.10	9.58	9.56	9.82	9.85	9.95	9.96	10.24	10.29	10.42	10.44	9.48	9.89	10.35
% CHG SAME QTR LAST YR.....	-7.02	-2.18	-3.05	1.48	8.23	3.86	4.13	4.32	4.49	4.65	4.80	-3.08	4.37	4.57

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 16: TENNESSEE AVERAGE HOURLY EARNINGS
SELECTED NONDURABLE GOODS MANUFACTURING PRODUCTION WORKERS
CURRENT DOLLARS

	HISTORY		FORECAST - DATA									ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992
TOTAL NONDURABLE GOODS.....	9.16	9.30	9.43	9.52	9.64	9.78	9.91	10.01	10.14	10.29	10.43	9.22	9.71	10.22
% CHG SAME QTR LAST YR.....	4.69	5.64	5.83	5.98	5.22	5.20	5.16	5.15	5.16	5.18	5.21	4.86	5.39	5.17
FOOD.....	8.76	8.88	8.99	9.14	9.25	9.32	9.44	9.58	9.69	9.77	9.89	8.84	9.29	9.73
% CHG SAME QTR LAST YR.....	0.88	3.29	4.86	4.89	5.56	4.91	4.95	4.84	4.71	4.82	4.83	2.50	5.07	4.80
TEXTILES.....	7.66	8.10	7.99	8.07	8.15	8.36	8.35	8.43	8.52	8.75	8.75	7.80	8.23	8.61
% CHG SAME QTR LAST YR.....	3.14	6.58	6.05	8.37	6.34	3.19	4.62	4.56	4.59	4.63	4.68	4.24	5.56	4.62
APPAREL.....	6.13	6.23	6.13	6.25	6.30	6.34	6.41	6.53	6.58	6.62	6.69	6.11	6.33	6.61
% CHG SAME QTR LAST YR.....	6.67	7.11	3.88	5.22	2.90	1.85	4.51	4.43	4.42	4.43	4.44	5.28	3.60	4.43
PAPER.....	12.22	11.72	12.32	12.65	12.79	12.63	13.01	13.34	13.48	13.32	13.72	12.06	12.77	13.46
% CHG SAME QTR LAST YR.....	5.50	2.54	4.32	5.69	4.68	7.75	5.55	5.44	5.43	5.43	5.45	3.69	5.90	5.44
CHEMICALS.....	11.91	12.44	12.55	12.53	12.79	13.17	13.19	13.17	13.44	13.84	13.87	12.10	12.92	13.58
% CHG SAME QTR LAST YR.....	0.56	3.67	6.89	9.09	7.39	5.87	5.15	5.07	5.08	5.10	5.14	2.14	6.82	5.10
RUBBER.....	11.29	11.08	11.46	11.47	11.68	11.66	12.06	12.08	12.28	12.28	12.70	11.23	11.72	12.33
% CHG SAME QTR LAST YR.....	4.31	5.86	4.40	3.53	3.48	5.24	5.28	5.27	5.16	5.24	5.25	4.75	4.39	5.23
LEATHER.....	6.74	6.63	6.68	7.03	7.06	7.01	7.01	7.37	7.40	7.34	7.34	6.73	7.03	7.36
% CHG SAME QTR LAST YR.....	4.12	4.85	5.03	2.61	4.70	5.75	4.92	4.81	4.77	4.75	4.74	4.82	4.48	4.77

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
 TABLE 17: TENNESSEE PERSON-HOURS PER WEEK
 SELECTED DURABLE GOODS MANUFACTURING
 THOUSANDS

	HISTORY		FORECAST - DATA									ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992
TOTAL DURABLE GOODS.....	9895	10019	10069	9920	10151	10123	10318	10090	10372	10411	10622	9962	10128	10374
% CHG SAME QTR LAST YR.....	-9.67	-7.62	-4.60	0.57	2.59	1.04	2.48	1.72	2.18	2.85	2.95	-7.50	1.67	2.43
LUMBER AND WOOD.....	820	820	755	724	764	772	741	724	779	804	784	798	750	773
% CHG SAME QTR LAST YR.....	-5.31	-4.62	-6.50	-9.09	-6.85	-5.81	-1.83	0.08	2.00	4.19	5.74	-4.97	-5.96	3.02
FURNITURE AND FIXTURES.....	977	1032	1070	1002	1028	1037	1078	1029	1079	1101	1142	1006	1036	1088
% CHG SAME QTR LAST YR.....	-9.67	-4.52	3.51	6.05	5.23	0.53	0.75	2.71	4.96	6.19	5.96	-4.94	3.02	4.98
STONE, CLAY AND GLASS.....	631	645	619	541	577	582	596	531	574	587	604	616	574	574
% CHG SAME QTR LAST YR.....	-3.29	-2.59	-3.75	-4.99	-8.56	-9.77	-3.73	-1.84	-0.45	0.93	1.37	-4.32	-6.84	0.05
PRIMARY METALS.....	641	630	616	598	593	591	605	596	596	598	606	628	597	599
% CHG SAME QTR LAST YR.....	-5.23	-5.55	-2.86	-4.20	-7.47	-6.14	-1.72	-0.33	0.58	1.25	0.16	-5.82	-4.91	0.41
FABRICATED METALS.....	1686	1741	1694	1667	1684	1693	1697	1681	1700	1705	1712	1701	1685	1699
% CHG SAME QTR LAST YR.....	-5.20	-1.63	-3.16	-1.01	-0.12	-2.79	0.19	0.82	0.95	0.72	0.88	-3.64	-0.95	0.84
MACHINERY.....	3095	2766	2883	2933	2992	2917	3045	3074	3121	3017	3133	2980	2972	3086
% CHG SAME QTR LAST YR.....	-8.21	-18.12	-11.27	-7.58	-3.33	5.45	5.60	4.82	4.31	3.44	2.90	-10.00	-0.26	3.86
INSTRUMENTS.....	479	474	466	468	471	485	492	493	495	510	516	470	479	504
% CHG SAME QTR LAST YR.....	9.30	6.33	3.42	1.91	-1.69	2.49	5.53	5.37	5.17	5.01	4.89	6.19	2.04	5.11

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 18: TENNESSEE PERSON-HOURS PER WEEK
SELECTED NONDURABLE GOODS MANUFACTURING
THOUSANDS

	HISTORY			FORECAST - DATA								ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992
TOTAL NONDURABLE GOODS.....	10248	10567	10395	10097	10101	10345	10372	10219	10310	10578	10636	10386	10229	10436
% CHG SAME QTR LAST YR.....	-3.29	-2.40	-2.05	-2.30	-1.43	-2.10	-0.22	1.21	2.07	2.25	2.54	-2.09	-1.51	2.02
FOOD.....	1562	1632	1593	1564	1557	1577	1556	1541	1550	1581	1566	1590	1564	1559
% CHG SAME QTR LAST YR.....	-0.40	2.48	0.27	-0.60	-0.32	-3.36	-2.31	-1.48	-0.48	0.22	0.65	0.86	-1.67	-0.27
TEXTILES.....	879	883	880	855	832	833	842	833	822	829	846	884	841	833
% CHG SAME QTR LAST YR.....	-7.84	-5.67	-4.81	-4.53	-5.37	-5.62	-4.29	-2.59	-1.19	-0.46	0.41	-5.42	-4.95	-0.96
APPAREL.....	2272	2297	2335	2223	2242	2240	2303	2226	2277	2291	2365	2307	2252	2290
% CHG SAME QTR LAST YR.....	-8.32	-7.59	-3.29	-4.33	-1.29	-2.49	-1.38	0.14	1.52	2.28	2.72	-5.52	-2.38	1.68
PAPER.....	924	970	915	866	888	954	921	884	916	990	958	939	907	937
% CHG SAME QTR LAST YR.....	-2.32	-7.01	-9.41	-8.64	-3.87	-1.62	0.69	2.13	3.20	3.73	3.99	-3.10	-3.38	3.29
CHEMICALS.....	1664	1685	1618	1600	1583	1606	1574	1578	1571	1599	1573	1664	1591	1580
% CHG SAME QTR LAST YR.....	0.87	-0.04	-0.74	-5.27	-4.88	-4.70	-2.70	-1.39	-0.74	-0.45	-0.09	1.06	-4.40	-0.67
RUBBER.....	1131	1128	1148	1113	1103	1098	1158	1150	1153	1149	1211	1134	1118	1166
% CHG SAME QTR LAST YR.....	-1.24	-0.26	-0.65	-1.29	-2.49	-2.60	0.83	3.41	4.55	4.65	4.58	-1.01	-1.38	4.30
LEATHER.....	341	363	371	345	364	378	375	354	377	397	398	352	366	382
% CHG SAME QTR LAST YR.....	-12.33	-7.59	-1.29	4.03	7.01	4.32	0.94	2.59	3.58	4.87	6.24	-7.12	4.01	4.36

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 19: TENNESSEE PERSON-HOURS PER WEEK
SELECTED DURABLE GOODS MANUFACTURING
SEASONALLY ADJUSTED (THOUSANDS)

	HISTORY			FORECAST - DATA								ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992
TOTAL DURABLE GOODS.....	9858	10039	9932	10072	10116	10138	10178	10244	10335	10427	10479	9961	10126	10371
% CHG PREV QTR SAAR.....	-6.10	7.54	-4.20	5.77	1.74	0.89	1.60	2.61	3.62	3.59	2.00	-7.51	1.66	2.42
% CHG SAME QTR LAST YR.....	-9.62	-7.74	-4.60	0.58	2.61	0.99	2.48	1.71	2.17	2.85	2.95	-7.51	1.66	2.42
LUMBER AND WOOD.....	805	794	763	753	751	748	749	754	766	779	792	798	750	773
% CHG PREV QTR SAAR.....	-10.88	-5.33	-14.93	-4.98	-1.35	-1.43	0.51	2.64	6.44	7.32	6.63	-4.97	-5.98	3.00
% CHG SAME QTR LAST YR.....	-5.18	-4.69	-6.53	-9.13	-6.79	-5.84	-1.83	0.08	2.00	4.19	5.74	-4.97	-5.98	3.00
FURNITURE AND FIXTURES.....	980	1029	1036	1035	1031	1034	1044	1063	1083	1097	1106	1005	1036	1087
% CHG PREV QTR SAAR.....	2.35	21.52	2.74	-0.61	-1.18	0.79	4.08	7.36	7.78	5.58	3.16	-5.03	3.07	4.96
% CHG SAME QTR LAST YR.....	-9.66	-4.71	3.54	6.16	5.23	0.42	0.75	2.71	4.96	6.19	5.96	-5.03	3.07	4.96
STONE, CLAY AND GLASS.....	627	632	593	580	574	570	570	569	571	575	578	616	574	574
% CHG PREV QTR SAAR.....	12.05	3.03	-22.79	-8.15	-4.19	-2.61	0.21	-0.73	1.38	2.89	2.00	-4.38	-6.80	0.00
% CHG SAME QTR LAST YR.....	-3.23	-2.67	-3.91	-4.88	-8.53	-9.81	-3.73	-1.84	-0.45	0.93	1.37	-4.38	-6.80	0.00
PRIMARY METALS.....	643	632	608	601	595	593	598	599	598	601	599	628	597	599
% CHG PREV QTR SAAR.....	10.98	-6.70	-14.22	-4.85	-3.93	-1.10	3.20	0.65	-0.36	1.52	-1.17	-5.83	-4.92	0.41
% CHG SAME QTR LAST YR.....	-5.33	-5.59	-2.86	-4.12	-7.52	-6.16	-1.72	-0.33	0.58	1.25	0.16	-5.83	-4.92	0.41
FABRICATED METALS.....	1685	1738	1686	1679	1683	1689	1689	1693	1699	1701	1704	1701	1685	1699
% CHG PREV QTR SAAR.....	-2.63	13.12	-11.36	-1.58	0.82	1.37	0.18	0.90	1.37	0.43	0.81	-3.65	-0.95	0.84
% CHG SAME QTR LAST YR.....	-5.21	-1.71	-3.13	-0.99	-0.13	-2.83	0.19	0.82	0.95	0.72	0.88	-3.65	-0.95	0.84
MACHINERY.....	3052	2841	2865	2915	2951	2995	3026	3055	3078	3098	3113	2978	2972	3086
% CHG PREV QTR SAAR.....	-12.32	-24.94	3.48	7.04	5.05	6.19	4.13	3.94	2.98	2.72	1.97	-10.07	-0.22	3.86
% CHG SAME QTR LAST YR.....	-8.17	-18.14	-11.27	-7.60	-3.33	5.43	5.60	4.82	4.30	3.44	2.90	-10.07	-0.22	3.86
INSTRUMENTS.....	484	471	463	469	476	482	489	495	501	507	512	470	479	504
% CHG PREV QTR SAAR.....	21.85	-10.76	-6.26	5.66	5.64	5.54	5.27	5.02	4.86	4.90	4.78	6.19	2.01	5.11
% CHG SAME QTR LAST YR.....	9.27	6.37	3.46	1.87	-1.70	2.51	5.53	5.37	5.17	5.01	4.89	6.19	2.01	5.11

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
 TABLE 20: TENNESSEE PERSON-HOURS PER WEEK
 SELECTED NONDURABLE GOODS MANUFACTURING
 SEASONALLY ADJUSTED (THOUSANDS)

	HISTORY					FORECAST - DATA							ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992	
TOTAL NONDURABLE GOODS.....	10332	10454	10300	10214	10187	10232	10278	10339	10398	10462	10539	10386	10228	10434	
% CHG PREV QTR SAAR.....	-4.76	4.78	-5.74	-3.30	-1.06	1.77	1.81	2.38	2.32	2.48	2.98	-2.09	-1.53	2.02	
% CHG SAME QTR LAST YR.....	-3.24	-2.47	-2.02	-2.34	-1.41	-2.12	-0.22	1.22	2.07	2.25	2.54	-2.09	-1.53	2.02	
FOOD.....	1569	1611	1592	1578	1565	1558	1555	1555	1557	1562	1565	1590	1564	1560	
% CHG PREV QTR SAAR.....	-4.97	11.10	-4.74	-3.36	-3.31	-1.71	-0.86	-0.02	0.70	1.05	0.89	0.85	-1.66	-0.28	
% CHG SAME QTR LAST YR.....	-0.31	2.63	0.23	-0.71	-0.28	-3.29	-2.31	-1.48	-0.48	0.22	0.65	0.85	-1.66	-0.28	
TEXTILES.....	888	886	870	853	841	836	833	831	831	833	836	885	841	832	
% CHG PREV QTR SAAR.....	-2.60	-0.79	-7.25	-7.51	-5.75	-1.94	-1.84	-0.77	-0.18	0.95	1.67	-5.45	-4.97	-0.97	
% CHG SAME QTR LAST YR.....	-7.82	-5.70	-4.75	-4.58	-5.36	-5.64	-4.29	-2.59	-1.19	-0.46	0.41	-5.45	-4.97	-0.97	
APPAREL.....	2273	2302	2285	2264	2245	2244	2254	2267	2279	2295	2315	2307	2251	2289	
% CHG PREV QTR SAAR.....	-15.02	5.26	-2.96	-3.65	-3.36	-0.16	1.76	2.42	2.09	2.85	3.51	-5.54	-2.40	1.66	
% CHG SAME QTR LAST YR.....	-8.23	-7.68	-3.27	-4.37	-1.24	-2.54	-1.38	0.14	1.52	2.28	2.72	-5.54	-2.40	1.66	
PAPER.....	938	923	908	904	903	907	914	923	932	941	951	939	907	936	
% CHG PREV QTR SAAR.....	-18.97	-6.49	-6.26	-1.86	-0.39	1.85	3.23	3.89	3.86	3.96	4.25	-2.92	-3.47	3.27	
% CHG SAME QTR LAST YR.....	-2.17	-7.17	-9.42	-8.63	-3.79	-1.71	0.69	2.13	3.20	3.73	3.99	-2.92	-3.47	3.27	
CHEMICALS.....	1672	1665	1627	1604	1591	1586	1583	1581	1579	1579	1582	1664	1591	1580	
% CHG PREV QTR SAAR.....	-4.87	-1.77	-8.69	-5.70	-3.18	-1.10	-0.74	-0.51	-0.60	0.08	0.67	1.06	-4.41	-0.67	
% CHG SAME QTR LAST YR.....	0.88	-0.04	-0.71	-5.29	-4.87	-4.71	-2.70	-1.39	-0.74	-0.45	-0.09	1.06	-4.41	-0.67	
RUBBER.....	1138	1149	1124	1110	1110	1120	1133	1148	1160	1172	1185	1134	1118	1166	
% CHG PREV QTR SAAR.....	4.96	3.97	-8.66	-4.80	0.01	3.56	4.82	5.34	4.47	3.96	4.54	-1.00	-1.40	4.30	
% CHG SAME QTR LAST YR.....	-1.23	-0.22	-0.65	-1.30	-2.49	-2.58	0.83	3.41	4.55	4.65	4.58	-1.00	-1.40	4.30	
LEATHER.....	340	351	365	363	364	366	369	373	377	384	392	351	366	381	
% CHG PREV QTR SAAR.....	-9.76	12.92	17.19	-1.85	1.09	1.85	2.72	4.74	5.04	7.01	8.21	-7.13	4.03	4.33	
% CHG SAME QTR LAST YR.....	-12.26	-7.59	-1.35	4.05	7.04	4.32	0.94	2.59	3.58	4.87	6.24	-7.13	4.03	4.33	

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 21: TENNESSEE AVERAGE WEEKLY HOURS
SELECTED DURABLE GOODS MANUFACTURING PRODUCTION WORKERS

	HISTORY				FORECAST - DATA							ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992
TOTAL DURABLE GOODS.....	38.0	38.7	39.0	38.7	39.4	39.3	39.9	38.8	39.2	39.2	39.8	38.4	39.3	39.2
% CHG SAME QTP LAST YR.....	-8.50	-6.74	-3.79	1.90	3.54	1.45	2.12	0.18	-0.57	-0.24	-0.25	-6.73	2.25	-0.22
LUMBER AND WOOD.....	38.6	39.5	37.8	37.2	38.2	38.7	38.1	37.7	38.6	39.1	38.5	38.6	38.0	38.5
% CHG SAME QTR LAST YR.....	-3.98	-2.63	-3.35	-3.12	-1.23	-2.04	0.86	1.30	1.15	1.18	0.89	-3.21	-1.39	1.13
FURNITURE AND FIXTURES.....	35.0	36.7	37.7	35.6	36.9	37.6	38.5	36.4	37.3	38.0	38.6	35.8	37.1	37.6
% CHG SAME QTR LAST YR.....	-10.10	-5.98	3.13	5.07	5.31	2.55	2.22	2.32	1.30	1.00	0.13	-6.38	3.73	1.17
STONE,CLAY AND GLASS.....	43.6	44.1	43.3	40.0	42.6	42.4	43.3	40.0	42.4	42.1	43.0	42.8	42.1	41.9
% CHG SAME QTR LAST YR.....	-1.06	-2.15	-2.43	-0.20	-2.19	-3.77	0.16	-0.09	-0.61	-0.73	-0.75	-2.53	-1.54	-0.55
PRIMARY METALS.....	42.8	42.8	41.6	41.2	40.8	40.8	41.3	41.4	41.1	41.2	41.5	42.2	41.0	41.3
% CHG SAME QTR LAST YR.....	0.47	0.23	0.65	-0.84	-4.68	-4.63	-0.60	0.41	0.83	0.82	0.32	-0.78	-2.72	0.59
FABRICATED METALS.....	39.9	41.2	40.2	39.6	40.0	40.0	40.0	39.4	39.6	39.7	39.7	40.2	39.9	39.6
% CHG SAME QTR LAST YR.....	-3.78	0.00	-1.46	-0.09	0.23	-2.86	-0.51	-0.42	-0.80	-0.81	-0.65	-2.42	-0.82	-0.67
MACHINERY.....	39.6	36.4	37.5	38.2	38.9	38.2	39.3	39.3	39.3	38.4	39.3	38.5	38.7	39.1
% CHG SAME QTR LAST YR.....	-5.03	-12.99	-8.84	-5.17	-1.92	5.03	4.76	2.78	1.11	0.34	-0.12	-7.22	0.50	1.02
INSTRUMENTS.....	42.5	41.7	40.8	40.5	40.4	40.8	41.1	40.6	40.3	40.7	40.9	41.6	40.7	40.6
% CHG SAME QTR LAST YR.....	3.16	0.40	-2.79	-1.90	-5.03	-2.03	0.68	0.29	-0.08	-0.31	-0.45	0.12	-2.10	-0.14

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 22: TENNESSEE AVERAGE WEEKLY HOURS
SELECTED NONDURABLE GOODS MANUFACTURING PRODUCTION WORKERS

	HISTORY					FORECAST - DATA						ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992
TOTAL NONDURABLE GOODS.....	39.0	40.4	40.0	39.5	39.3	40.0	40.0	39.7	39.6	40.1	40.2	39.6	39.7	39.9
% CHG SAME QTR LAST YR.....	-3.62	-0.90	0.14	0.66	0.82	-1.02	0.08	0.50	0.64	0.49	0.47	-1.90	0.13	0.52
FOOD.....	40.2	41.6	41.1	41.0	40.7	40.7	40.4	40.5	40.3	40.4	40.2	40.9	40.7	40.3
% CHG SAME QTR LAST YR.....	-0.82	2.04	0.72	0.26	1.16	-2.23	-1.69	-1.29	-0.99	-0.75	-0.57	0.69	-0.64	-0.90
TEXTILES.....	40.2	41.1	41.0	40.6	39.6	40.3	40.6	40.5	39.8	40.5	40.9	40.8	40.3	40.4
% CHG SAME QTR LAST YR.....	-3.90	-1.28	-0.44	-0.16	-1.48	-1.92	-1.03	-0.23	0.38	0.49	0.63	-2.09	-1.15	0.32
APPAREL.....	35.5	36.5	36.7	35.8	36.3	36.4	36.7	35.9	36.4	36.6	36.9	36.1	36.3	36.4
% CHG SAME QTR LAST YR.....	-6.98	-4.12	0.60	0.15	2.19	-0.27	0.00	0.09	0.28	0.52	0.59	-3.83	0.51	0.37
PAPER.....	42.5	43.4	43.0	42.1	41.8	42.9	43.2	42.3	42.1	43.3	43.5	43.2	42.5	42.8
% CHG SAME QTR LAST YR.....	-6.66	-6.87	-7.55	-4.48	-1.56	-1.04	0.46	0.52	0.68	0.81	0.78	-5.85	-1.67	0.70
CHEMICALS.....	41.3	42.0	41.2	41.2	40.9	41.3	41.0	41.0	40.8	41.3	41.0	41.7	41.1	41.1
% CHG SAME QTR LAST YR.....	-2.13	-0.86	-0.02	-2.45	-1.03	-1.75	-0.56	-0.30	-0.09	0.07	0.12	-0.60	-1.46	-0.05
RUBBER.....	41.4	41.8	43.0	42.3	41.5	40.8	42.7	42.3	41.5	40.9	42.7	41.8	41.8	41.8
% CHG SAME QTR LAST YR.....	-0.64	2.45	2.30	2.90	0.09	-2.20	-0.63	-0.05	-0.01	0.01	-0.09	-0.08	0.03	-0.03
LEATHER.....	36.1	38.0	38.9	37.4	38.8	39.0	38.6	37.3	38.9	39.3	38.8	36.9	38.5	38.6
% CHG SAME QTR LAST YR.....	-11.09	-4.04	2.34	7.87	7.44	2.67	-0.86	-0.30	0.20	0.57	0.65	-6.29	4.13	0.29

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
 TABLE 23: TENNESSEE AVERAGE WEEKLY HOURS
 SELECTED DURABLE GOODS MANUFACTURING PRODUCTION WORKERS
 SEASONALLY ADJUSTED

	HISTORY			FORECAST - DATA								ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992
TOTAL DURABLE GOODS.....	38.1	38.8	38.5	39.1	39.4	39.3	39.3	39.2	39.2	39.3	39.2	38.4	39.3	39.2
% CHG PREV QTR SAAR.....	-3.25	7.84	-3.39	7.13	3.05	-0.86	-0.61	-0.81	0.01	0.45	-0.64	-6.75	2.25	-0.22
% CHG SAME QTR LAST YR.....	-8.47	-6.83	-3.80	1.94	3.56	1.40	2.12	0.18	-0.57	-0.24	-0.25	-6.75	2.25	-0.22
LUMBER AND WOOD.....	38.5	38.9	37.9	37.8	38.0	38.1	38.2	38.3	38.4	38.5	38.6	38.6	38.0	38.5
% CHG PREV QTR SAAR.....	-5.90	4.73	-9.79	-0.84	1.69	1.02	1.61	0.90	1.07	1.15	0.44	-3.21	-1.40	1.13
% CHG SAME QTR LAST YR.....	-3.93	-2.74	-3.32	-3.10	-1.21	-2.09	0.86	1.30	1.15	1.18	0.89	-3.21	-1.40	1.13
FURNITURE AND FIXTURES.....	35.2	36.4	36.6	36.7	37.1	37.2	37.5	37.5	37.6	37.6	37.5	35.8	37.1	37.6
% CHG PREV QTR SAAR.....	3.99	13.31	3.19	0.63	4.56	1.41	2.32	1.02	0.47	0.19	-1.14	-6.48	3.76	1.18
% CHG SAME QTR LAST YR.....	-10.09	-6.18	3.15	5.18	5.32	2.44	2.22	2.32	1.30	1.00	0.13	-6.48	3.76	1.18
STONE, CLAY AND GLASS.....	43.1	43.8	42.0	42.0	42.1	42.1	42.1	42.0	41.9	41.8	41.8	42.7	42.1	41.9
% CHG PREV QTR SAAR.....	9.94	7.05	-15.28	-0.11	1.10	0.04	-0.38	-1.10	-0.99	-0.45	-0.47	-2.56	-1.51	-0.54
% CHG SAME QTR LAST YR.....	-1.02	-2.24	-2.54	-0.10	-2.17	-3.81	0.16	-0.09	-0.61	-0.73	-0.75	-2.56	-1.51	-0.54
PRIMARY METALS.....	43.0	42.9	41.4	41.1	41.0	41.0	41.1	41.3	41.3	41.3	41.3	42.2	41.0	41.3
% CHG PREV QTR SAAR.....	15.77	-0.33	-13.68	-2.80	-1.40	-0.04	1.89	1.22	0.25	-0.08	-0.10	-0.78	-2.73	0.59
% CHG SAME QTR LAST YR.....	0.42	0.22	0.65	-0.81	-4.71	-4.64	-0.60	0.41	0.83	0.82	0.32	-0.78	-2.73	0.59
FABRICATED METALS.....	39.8	41.1	40.0	39.8	39.9	39.9	39.8	39.7	39.6	39.6	39.6	40.2	39.9	39.6
% CHG PREV QTR SAAR.....	-0.28	13.27	-10.18	-1.65	0.82	-0.10	-1.08	-1.31	-0.69	-0.17	-0.40	-2.43	-0.82	-0.67
% CHG SAME QTR LAST YR.....	-3.81	-0.05	-1.43	-0.06	0.22	-2.88	-0.51	-0.42	-0.80	-0.81	-0.65	-2.43	-0.82	-0.67
MACHINERY.....	39.4	37.1	37.3	38.0	38.6	38.9	39.1	39.1	39.0	39.1	39.0	38.5	38.7	39.1
% CHG PREV QTR SAAR.....	-7.16	-21.54	2.79	7.85	6.44	3.21	1.65	-0.06	-0.31	0.07	-0.17	-7.26	0.53	1.02
% CHG SAME QTR LAST YR.....	-5.01	-12.96	-8.84	-5.20	-1.91	5.05	4.76	2.78	1.11	0.34	-0.12	-7.26	0.53	1.02
INSTRUMENTS.....	42.9	41.6	40.5	40.6	40.7	40.7	40.7	40.7	40.7	40.6	40.6	41.6	40.7	40.6
% CHG PREV QTR SAAR.....	14.85	-11.31	-10.28	1.19	1.01	0.49	0.04	-0.36	-0.46	-0.43	-0.53	0.12	-2.12	-0.13
% CHG SAME QTR LAST YR.....	3.16	0.41	-2.75	-1.93	-5.03	-2.02	0.68	0.29	-0.08	-0.31	-0.45	0.12	-2.12	-0.13

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 24: TENNESSEE AVERAGE WEEKLY HOURS
SELECTED NONDURABLE GOODS MANUFACTURING PRODUCTION WORKERS
SEASONALLY ADJUSTED

	HISTORY					FORECAST - DATA							ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992	
TOTAL NONDURABLE GOODS.....	39.3	40.1	39.7	39.6	39.6	39.7	39.8	39.8	39.9	39.9	40.0	39.6	39.7	39.9	
% CHG PREV QTR SAAR.....	-0.81	8.82	-3.97	-1.05	0.05	0.87	0.47	0.62	0.59	0.26	0.40	-1.92	0.13	0.52	
% CHG SAME QTR LAST YR.....	-3.57	-0.95	0.16	0.64	0.85	-1.04	0.08	0.50	0.64	0.49	0.47	-1.92	0.13	0.52	
FOOD.....	40.3	41.5	41.2	40.9	40.7	40.6	40.5	40.4	40.3	40.3	40.3	41.0	40.7	40.3	
% CHG PREV QTR SAAR.....	-5.80	13.18	-3.17	-2.42	-1.85	-1.41	-1.08	-0.82	-0.63	-0.48	-0.36	0.68	-0.64	-0.90	
% CHG SAME QTR LAST YR.....	-0.72	2.06	0.73	0.18	1.22	-2.22	-1.69	-1.29	-0.99	-0.75	-0.57	0.68	-0.64	-0.90	
TEXTILES.....	40.8	41.0	40.7	40.4	40.2	40.2	40.3	40.3	40.4	40.4	40.5	40.8	40.3	40.4	
% CHG PREV QTR SAAR.....	3.08	2.36	-3.40	-2.71	-1.93	0.25	0.30	0.48	0.48	0.71	0.84	-2.11	-1.16	0.32	
% CHG SAME QTR LAST YR.....	-3.83	-1.35	-0.40	-0.21	-1.44	-1.95	-1.03	-0.23	0.38	0.49	0.63	-2.11	-1.16	0.32	
APPAREL.....	35.5	36.4	36.3	36.3	36.3	36.3	36.3	36.4	36.4	36.5	36.5	36.1	36.3	36.4	
% CHG PREV QTR SAAR.....	-8.00	10.09	-0.99	0.25	-0.07	-0.41	0.23	0.62	0.69	0.56	0.51	-3.85	0.50	0.37	
% CHG SAME QTR LAST YR.....	-6.92	-4.19	0.61	0.13	2.23	-0.31	0.00	0.09	0.28	0.52	0.59	-3.85	0.50	0.37	
PAPER.....	43.1	42.9	42.4	42.4	42.5	42.5	42.6	42.7	42.8	42.8	42.9	43.2	42.5	42.8	
% CHG PREV QTR SAAR.....	-11.14	-1.75	-5.23	0.69	0.26	0.14	0.75	0.92	0.90	0.68	0.61	-5.84	-1.68	0.70	
% CHG SAME QTR LAST YR.....	-6.61	-6.93	-7.58	-4.46	-1.54	-1.07	0.46	0.52	0.68	0.81	0.78	-5.84	-1.68	0.70	
CHEMICALS.....	41.5	41.8	41.3	41.2	41.1	41.0	41.0	41.0	41.0	41.1	41.1	41.7	41.1	41.1	
% CHG PREV QTR SAAR.....	-6.40	2.48	-4.82	-0.92	-0.70	-0.49	-0.10	0.08	0.15	0.13	0.14	-0.60	-1.46	-0.05	
% CHG SAME QTR LAST YR.....	-2.12	-0.86	0.00	-2.48	-1.03	-1.75	-0.56	-0.30	-0.09	0.07	0.12	-0.60	-1.46	-0.05	
RUBBER AND PLASTICS.....	41.8	42.7	42.1	41.9	41.8	41.8	41.8	41.9	41.8	41.8	41.8	41.8	41.8	41.8	
% CHG PREV QTR SAAR.....	11.16	9.22	-5.68	-2.14	-0.39	-0.43	0.48	0.15	-0.22	-0.35	0.07	-0.07	0.01	-0.03	
% CHG SAME QTR LAST YR.....	-0.61	2.48	2.27	2.89	0.10	-2.19	-0.63	-0.05	-0.01	0.01	-0.09	-0.07	0.01	-0.03	
LEATHER.....	35.8	37.4	38.7	38.6	38.5	38.4	38.4	38.5	38.5	38.6	38.6	36.9	38.5	38.6	
% CHG PREV QTR SAAR.....	0.14	19.44	14.99	-1.56	-1.23	-0.85	0.23	0.66	0.78	0.60	0.57	-6.34	4.16	0.28	
% CHG SAME QTR LAST YR.....	-10.99	-4.15	2.36	7.87	7.50	2.61	-0.86	-0.30	0.20	0.57	0.65	-6.34	4.16	0.28	

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TABLE 25: TENNESSEE AVERAGE WEEKLY EARNINGS
SELECTED DURABLE GOODS MANUFACTURING PRODUCTION WORKERS
1982 DOLLARS

	HISTORY				FORECAST - DATA							ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992
TOTAL DURABLE GOODS.....	277.5	283.0	286.1	283.0	287.2	287.0	294.2	286.9	289.6	290.5	297.8	280.5	287.8	291.2
% CHG SAME QTR LAST YR.....	-10.36	-7.14	-3.37	2.76	3.51	1.41	2.83	1.38	0.82	1.24	1.23	-8.26	2.62	1.17
LUMBER AND WOOD.....	186.2	192.0	183.4	178.6	184.6	188.5	185.6	181.8	187.8	192.0	188.6	186.0	184.3	187.5
% CHG SAME QTR LAST YR.....	-4.00	-2.69	-3.12	-2.12	-0.89	-1.82	1.19	1.82	1.74	1.85	1.62	-4.12	-0.92	1.76
FURNITURE AND FIXTURES.....	215.7	228.6	231.6	220.9	230.2	233.7	239.2	228.7	236.4	238.9	242.6	220.9	231.0	236.7
% CHG SAME QTR LAST YR.....	-9.36	-4.36	4.05	6.40	6.69	2.22	3.27	3.55	2.71	2.26	1.45	-5.61	4.57	2.47
STONE, CLAY AND GLASS.....	407.9	391.6	395.3	374.3	393.1	379.4	401.9	380.0	396.7	382.3	405.0	389.2	387.2	391.0
% CHG SAME QTR LAST YR.....	-4.40	-6.39	-7.74	3.35	-3.64	-3.10	1.68	1.51	0.91	0.77	0.76	-9.81	-0.53	0.98
PRIMARY METALS.....	356.1	396.4	427.7	416.7	414.3	425.4	429.1	423.0	422.0	433.4	435.7	385.3	421.4	428.5
% CHG SAME QTR LAST YR.....	-5.99	2.43	14.71	15.47	16.34	7.33	0.32	1.50	1.84	1.88	1.54	0.66	9.37	1.69
FABRICATED METALS.....	301.6	310.8	300.1	299.3	300.1	303.5	301.6	301.3	301.0	304.5	303.2	304.6	301.1	302.5
% CHG SAME QTR LAST YR.....	-8.29	-5.73	-6.13	-2.14	-0.47	-2.35	0.50	0.66	0.30	0.32	0.54	-6.96	-1.13	0.45
MACHINERY.....	301.0	251.3	255.0	263.5	270.2	263.6	273.9	275.8	277.3	268.1	277.1	273.7	267.8	274.6
% CHG SAME QTR LAST YR.....	-0.44	-16.32	-9.95	-8.30	-10.23	4.90	7.40	4.69	2.63	1.69	1.18	-7.85	-2.14	2.53
INSTRUMENTS.....	286.0	291.6	279.5	280.9	278.2	281.7	280.9	282.6	279.3	282.6	281.7	288.8	280.4	281.6
% CHG SAME QTR LAST YR.....	-8.13	-6.61	-11.09	-5.74	-2.72	-3.40	0.50	0.60	0.42	0.31	0.28	-7.66	-2.89	0.40

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TABLE 26: TENNESSEE AVERAGE WEEKLY EARNINGS
SELECTED NONDURABLE GOODS MANUFACTURING PRODUCTION WORKERS
1982 DOLLARS

	HISTORY					FORECAST - DATA						ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992
TOTAL NONDURABLE GOODS.....	264.2	274.1	269.8	265.8	265.3	270.9	272.2	270.1	270.0	275.3	276.5	267.8	268.6	273.0
% CHG SAME QTR LAST YR.....	-3.36	-0.45	-0.03	1.02	0.41	-1.15	0.89	1.60	1.78	1.62	1.60	-2.12	0.28	1.65
FOOD.....	260.6	269.9	264.5	264.8	263.4	262.8	261.6	263.5	262.6	262.9	262.1	265.2	263.2	262.8
% CHG SAME QTR LAST YR.....	-4.17	0.23	-0.37	-0.42	1.07	-2.63	-1.10	-0.50	-0.29	0.02	0.18	-1.79	-0.78	-0.15
TEXTILES.....	227.8	243.3	234.5	231.4	225.8	233.8	232.7	232.1	228.0	236.4	235.6	232.9	230.9	233.0
% CHG SAME QTR LAST YR.....	-5.06	0.05	-0.40	2.45	-0.84	-3.92	-0.74	0.30	0.97	1.10	1.25	-2.89	-0.82	0.91
APPAREL.....	161.0	166.0	160.9	158.3	160.3	160.1	161.2	159.1	161.4	161.5	162.8	161.6	160.0	161.2
% CHG SAME QTR LAST YR.....	-4.96	-2.34	-1.41	-0.22	-0.47	-3.57	0.19	0.50	0.70	0.93	0.98	-3.64	-1.04	0.78
PAPER.....	384.0	371.3	378.9	376.2	374.5	375.9	385.2	383.3	382.3	384.1	393.4	381.9	377.9	385.8
% CHG SAME QTR LAST YR.....	-5.68	-9.20	-9.02	-4.41	-2.47	1.23	1.65	1.90	2.08	2.19	2.15	-7.09	-1.05	2.08
CHEMICALS.....	363.8	381.9	370.0	364.6	366.0	377.1	370.8	367.2	369.5	381.3	375.2	369.4	369.6	373.3
% CHG SAME QTR LAST YR.....	-5.73	-2.28	0.81	0.76	0.60	-1.26	0.24	0.71	0.97	1.12	1.18	-3.45	0.07	-1.00
RUBBER.....	345.9	338.1	352.7	343.1	339.1	330.4	353.7	347.1	342.9	334.3	357.5	344.2	341.6	345.5
% CHG SAME QTR LAST YR.....	-0.72	3.13	0.75	0.87	-1.97	-2.29	0.29	1.16	1.13	1.20	1.08	-0.42	-0.77	1.14
LEATHER.....	180.0	184.1	186.0	186.0	191.7	189.7	185.5	186.9	193.5	192.2	188.0	181.9	188.2	190.1
% CHG SAME QTR LAST YR.....	-11.33	-4.33	1.40	4.80	6.47	3.07	-0.28	0.47	0.97	1.29	1.34	-6.65	3.48	1.01

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 27: TENNESSEE AVERAGE WEEKLY EARNINGS
SELECTED DURABLE GOODS MANUFACTURING PRODUCTION WORKERS
SEASONALLY ADJUSTED 1982 DOLLARS

	HISTORY			FORECAST - DATA								ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992
TOTAL DURABLE GOODS.....	278.6	284.6	280.9	285.4	288.4	288.6	288.9	289.4	290.7	292.1	292.4	280.5	287.8	291.2
% CHG PREV QTR SAAR.....	1.33	9.00	-5.11	6.57	4.17	0.27	0.43	0.70	1.90	1.95	0.38	-8.28	2.62	1.17
% CHG SAME QTR LAST YR.....	-10.36	-7.21	-3.37	2.80	3.51	1.38	2.83	1.38	0.82	1.24	1.23	-8.28	2.62	1.17
LUMBER AND WOOD.....	185.5	188.2	183.3	182.9	184.0	184.7	185.5	186.2	187.2	188.1	188.5	186.0	184.3	187.5
% CHG PREV QTR SAAR.....	-2.64	5.95	-10.06	-0.96	2.46	1.48	1.81	1.52	2.14	1.94	0.89	-4.14	-0.92	1.76
% CHG SAME QTR LAST YR.....	-3.90	-2.85	-3.11	-2.09	-0.84	-1.90	1.19	1.82	1.74	1.85	1.62	-4.14	-0.92	1.76
FURNITURE AND FIXTURES.....	215.9	227.4	226.5	227.1	230.3	232.2	233.9	235.1	236.6	237.4	237.3	220.8	230.9	236.6
% CHG PREV QTR SAAR.....	5.09	23.19	-1.64	1.04	5.86	3.26	2.98	2.12	2.47	1.45	-0.22	-5.70	4.59	2.48
% CHG SAME QTR LAST YR.....	-9.35	-4.60	4.12	6.50	6.70	2.09	3.27	3.55	2.71	2.26	1.45	-5.70	4.59	2.48
STONE, CLAY AND GLASS.....	401.8	400.8	383.0	384.0	387.1	388.7	389.5	389.8	390.6	391.7	392.4	389.3	387.3	391.1
% CHG PREV QTR SAAR.....	36.98	-0.95	-16.61	1.00	3.23	1.69	0.82	0.33	0.82	1.10	0.79	-9.88	-0.50	0.99
% CHG SAME QTR LAST YR.....	-4.46	-6.26	-7.86	3.39	-3.66	-3.03	1.68	1.51	0.91	0.77	0.76	-9.88	-0.50	0.99
PRIMARY METALS.....	361.5	392.6	422.4	420.1	420.3	421.3	423.7	426.4	428.0	429.2	430.2	385.0	421.3	428.5
% CHG PREV QTR SAAR.....	-2.17	39.21	33.91	-2.12	0.17	0.95	2.33	2.59	1.49	1.11	0.99	0.58	9.45	1.69
% CHG SAME QTR LAST YR.....	-6.11	2.36	14.73	15.59	16.27	7.30	0.32	1.50	1.84	1.88	1.54	0.58	9.45	1.69
FABRICATED METALS.....	302.8	309.4	300.2	299.5	301.2	302.0	301.7	301.5	302.1	302.9	303.3	304.6	301.1	302.5
% CHG PREV QTR SAAR.....	-3.97	8.90	-11.35	-0.85	2.31	0.95	-0.37	-0.22	0.83	1.06	0.47	-6.96	-1.14	0.45
% CHG SAME QTR LAST YR.....	-8.38	-5.81	-6.05	-2.08	-0.52	-2.39	0.50	0.66	0.30	0.32	0.54	-6.96	-1.14	0.45
MACHINERY.....	297.6	257.8	253.7	261.1	267.2	270.6	272.5	273.3	274.2	275.2	275.7	273.5	267.8	274.6
% CHG PREV QTR SAAR.....	19.22	-43.70	-6.25	12.13	9.75	5.15	2.81	1.27	1.33	1.37	0.74	-7.93	-2.07	2.52
% CHG SAME QTR LAST YR.....	-0.43	-16.25	-9.94	-8.35	-10.23	4.95	7.40	4.69	2.63	1.69	1.18	-7.93	-2.07	2.52
INSTRUMENTS.....	288.2	290.8	279.6	279.5	280.4	280.9	281.0	281.2	281.5	281.8	281.8	288.8	280.4	281.6
% CHG PREV QTR SAAR.....	-10.82	3.56	-14.45	-0.21	1.27	0.78	0.19	0.17	0.54	0.36	0.08	-7.67	-2.89	0.40
% CHG SAME QTR LAST YR.....	-8.15	-6.59	-11.04	-5.77	-2.73	-3.39	0.50	0.60	0.42	0.31	0.28	-7.67	-2.89	0.40

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 28: TENNESSEE AVERAGE WEEKLY EARNINGS
SELECTED NONDURABLE GOODS MANUFACTURING PRODUCTION WORKERS
SEASONALLY ADJUSTED 1982 DOLLARS

	HISTORY			FORECAST - DATA								ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992
TOTAL NONDURABLE GOODS.....	266.8	272.4	267.7	267.0	267.9	269.2	270.1	271.3	272.6	273.6	274.4	267.8	268.5	273.0
% CHG PREV QTR SAAR.....	3.67	8.69	-6.68	-1.08	1.36	2.00	1.31	1.74	2.05	1.38	1.22	-2.14	0.28	1.65
% CHG SAME QTR LAST YR.....	-3.34	-0.47	0.02	0.99	0.42	-1.16	0.89	1.60	1.78	1.62	1.60	-2.14	0.28	1.65
FOOD.....	260.5	269.9	265.4	263.9	263.4	262.8	262.5	262.5	262.6	262.9	263.0	265.2	263.1	262.8
% CHG PREV QTR SAAR.....	-6.80	15.30	-6.48	-2.36	-0.71	-0.88	-0.44	0.03	0.13	0.37	0.19	-1.80	-0.79	-0.15
% CHG SAME QTR LAST YR.....	-4.08	0.21	-0.36	-0.47	1.12	-2.64	-1.10	-0.50	-0.29	0.02	0.18	-1.80	-0.79	-0.15
TEXTILES.....	232.3	240.4	232.9	231.1	230.4	230.9	231.2	231.8	232.6	233.4	234.1	232.8	230.9	233.0
% CHG PREV QTR SAAR.....	12.26	14.85	-11.90	-3.11	-1.23	0.83	0.60	1.04	1.41	1.34	1.22	-2.92	-0.83	0.90
% CHG SAME QTR LAST YR.....	-4.99	-0.09	-0.33	2.42	-0.80	-3.98	-0.74	0.30	0.97	1.10	1.25	-2.92	-0.83	0.90
APPAREL.....	160.7	166.0	159.8	159.7	160.0	160.0	160.1	160.5	161.1	161.5	161.7	161.6	159.9	161.2
% CHG PREV QTR SAAR.....	1.54	13.86	-14.02	-0.25	0.56	0.05	0.38	1.00	1.40	0.94	0.60	-3.65	-1.05	0.78
% CHG SAME QTR LAST YR.....	-4.92	-2.44	-1.39	-0.21	-0.45	-3.62	0.19	0.50	0.70	0.93	0.98	-3.65	-1.05	0.78
PAPER.....	386.7	374.0	374.3	375.5	377.3	378.7	380.5	382.6	385.1	387.1	388.7	382.0	378.0	385.9
% CHG PREV QTR SAAR.....	-6.30	-12.48	0.33	1.25	1.89	1.58	1.87	2.28	2.59	2.04	1.68	-7.09	-1.05	2.08
% CHG SAME QTR LAST YR.....	-5.62	-9.15	-9.03	-4.46	-2.44	1.26	1.65	1.90	2.08	2.19	2.15	-7.09	-1.05	2.08
CHEMICALS.....	367.2	374.6	369.6	368.8	369.3	369.8	370.5	371.5	372.9	374.0	374.9	369.3	369.6	373.3
% CHG PREV QTR SAAR.....	1.32	8.40	-5.28	-0.80	0.52	0.57	0.67	1.10	1.52	1.19	0.93	-3.47	0.08	1.00
% CHG SAME QTR LAST YR.....	-5.75	-2.33	0.85	0.79	0.59	-1.28	0.24	0.71	0.97	1.12	1.18	-3.47	0.08	1.00
RUBBER.....	348.3	349.6	341.9	340.3	341.3	341.9	342.9	344.2	345.1	346.0	346.6	344.3	341.6	345.5
% CHG PREV QTR SAAR.....	13.54	1.53	-8.49	-1.96	1.24	0.66	1.26	1.49	1.10	0.96	0.77	-0.39	-0.79	1.14
% CHG SAME QTR LAST YR.....	-0.79	3.28	0.75	0.85	-2.00	-2.21	0.29	1.16	1.13	1.20	1.08	-0.39	-0.79	1.14
LEATHER.....	176.7	182.6	189.0	188.3	188.2	188.2	188.5	189.1	190.0	190.6	191.0	182.0	188.3	190.2
% CHG PREV QTR SAAR.....	-6.60	14.12	14.87	-1.61	-0.20	-0.02	0.73	1.37	1.79	1.26	0.93	-6.62	3.45	1.01
% CHG SAME QTR LAST YR.....	-11.25	-4.36	1.43	4.77	6.52	3.05	-0.28	0.47	0.97	1.29	1.34	-6.62	3.45	1.01

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 29: TENNESSEE AVERAGE WEEKLY EARNINGS
SELECTED DURABLE GOODS MANUFACTURING PRODUCTION WORKERS
CURRENT DOLLARS

	HISTORY			FORECAST - DATA								ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992
TOTAL DURABLE GOODS.....	375.1	387.5	399.7	400.5	410.3	413.9	428.8	422.3	430.1	435.8	451.6	382.8	413.4	434.9
% CHG SAME QTR LAST YR.....	-6.41	-2.35	2.43	8.53	9.36	6.82	7.26	5.44	4.84	5.30	5.31	-3.54	7.97	5.22
LUMBER AND WOOD.....	251.8	262.8	256.3	252.7	263.6	271.9	270.5	267.6	276.9	288.0	286.0	253.8	264.7	280.1
% CHG SAME QTR LAST YR.....	0.23	2.34	2.70	3.37	4.71	3.43	5.56	5.89	5.79	5.93	5.72	0.77	4.27	5.83
FURNITURE AND FIXTURES.....	291.7	313.0	323.6	312.5	328.8	337.0	348.6	336.6	351.1	358.4	367.9	301.6	331.7	353.5
% CHG SAME QTR LAST YR.....	-5.37	0.58	10.30	12.36	12.72	7.68	7.73	7.69	6.80	6.35	5.55	-0.72	9.99	6.57
STONE, CLAY AND GLASS.....	551.5	536.1	552.2	529.7	561.5	547.3	585.7	559.3	589.2	573.6	614.0	531.3	556.1	584.0
% CHG SAME QTR LAST YR.....	-0.19	-1.55	-2.20	9.15	1.81	2.07	6.07	5.58	4.93	4.80	4.83	-5.17	4.66	5.03
PRIMARY METALS.....	481.5	542.7	597.6	589.7	591.9	613.6	625.4	622.5	626.7	650.2	660.7	526.3	605.1	640.0
% CHG SAME QTR LAST YR.....	-1.86	7.72	21.60	21.94	22.92	13.06	4.65	5.57	5.89	5.96	5.64	5.92	14.97	5.77
FABRICATED METALS.....	407.7	425.5	419.2	423.6	428.7	437.7	439.5	443.5	447.1	456.7	459.7	415.6	432.4	451.8
% CHG SAME QTR LAST YR.....	-4.25	-0.86	-0.50	3.35	5.15	2.86	4.84	4.69	4.29	4.34	4.59	-2.22	4.04	4.48
MACHINERY.....	406.9	344.1	356.3	372.9	385.9	380.2	399.2	406.0	411.8	402.2	420.2	373.1	384.5	410.0
% CHG SAME QTR LAST YR.....	3.95	-12.00	-4.54	-3.15	-5.15	10.50	12.03	8.89	6.71	5.76	5.26	-3.23	3.07	6.63
INSTRUMENTS.....	386.6	399.3	390.4	397.5	397.4	406.3	409.3	415.9	414.9	423.9	427.1	393.9	402.6	420.5
% CHG SAME QTR LAST YR.....	-4.08	-1.78	-5.75	-0.45	2.78	1.76	4.84	4.63	4.41	4.33	4.33	-2.99	2.21	4.43

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 30: TENNESSEE AVERAGE WEEKLY EARNINGS
SELECTED NONDURABLE GOODS MANUFACTURING PRODUCTION WORKERS
CURRENT DOLLARS

	HISTORY		FORECAST - DATA									ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992
TOTAL NONDURABLE GOODS.....	357.2	375.3	376.9	376.2	379.0	390.8	396.7	397.5	401.1	413.0	419.3	365.5	385.6	407.7
% CHG SAME QTR LAST YR.....	0.89	4.69	5.97	6.69	6.09	4.13	5.25	5.67	5.83	5.69	5.70	2.89	5.51	5.72
FOOD.....	352.3	369.5	369.6	374.8	376.2	379.0	381.3	387.9	390.0	394.3	397.4	361.9	377.8	392.4
% CHG SAME QTR LAST YR.....	0.05	5.41	5.61	5.17	6.78	2.57	3.17	3.49	3.68	4.03	4.22	3.22	4.39	3.86
TEXTILES.....	307.9	333.2	327.6	327.5	322.6	337.2	339.2	341.7	338.7	354.6	357.3	317.8	331.6	348.0
% CHG SAME QTR LAST YR.....	-0.89	5.21	5.58	8.20	4.76	1.21	3.54	4.32	4.99	5.15	5.34	2.09	4.33	4.95
APPAREL.....	217.7	227.3	224.8	224.0	228.9	230.9	235.0	234.1	239.7	242.3	246.9	220.6	229.7	240.8
% CHG SAME QTR LAST YR.....	-0.77	2.70	4.51	5.38	5.15	1.58	4.51	4.52	4.71	4.97	5.06	1.28	4.12	4.82
PAPER.....	519.2	508.4	529.4	532.4	535.0	542.1	561.3	564.2	567.8	576.2	596.5	521.1	542.7	576.2
% CHG SAME QTR LAST YR.....	-1.53	-4.51	-3.56	0.95	3.04	6.64	6.03	5.99	6.14	6.29	6.27	-2.39	4.15	6.17
CHEMICALS.....	491.9	522.9	516.9	516.0	522.8	543.9	540.5	540.5	548.8	572.0	568.9	504.1	530.8	557.6
% CHG SAME QTR LAST YR.....	-1.58	2.77	6.86	6.41	6.28	4.02	4.56	4.75	4.98	5.17	5.27	1.50	5.29	5.05
RUBBER.....	467.6	462.9	492.8	485.5	484.3	476.5	515.5	510.8	509.3	501.5	542.1	469.8	490.5	515.9
% CHG SAME QTR LAST YR.....	3.65	8.45	6.80	6.53	3.57	2.93	4.62	5.21	5.15	5.25	5.16	4.68	4.41	5.19
LEATHER.....	243.4	252.0	259.9	263.2	273.8	273.6	270.4	275.0	287.5	288.3	285.1	248.3	270.3	284.0
% CHG SAME QTR LAST YR.....	-7.43	0.62	7.49	10.68	12.49	8.57	4.03	4.49	4.98	5.34	5.43	-1.83	8.85	5.07

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 31: TENNESSEE AVERAGE ANNUAL WAGE AND SALARY RATE BY SECTOR
1982 DOLLARS

	HISTORY				FORECAST - DATA								ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992	
TOTAL NONAGRICULTURAL.....	15245	15181	14984	15309	15053	15048	15009	15396	15159	15164	15125	15208	15105	15211	
% CHG SAME QTR LAST YR....	-1.33	-1.74	-1.83	-0.74	-1.26	-0.88	0.17	0.57	0.71	0.77	0.77	-1.95	-0.68	0.70	
MINING.....	20925	20617	20154	21140	20290	20425	20296	21447	20654	20827	20703	20841	20538	20908	
% CHG SAME QTR LAST YR....	3.77	-0.64	-8.07	-2.44	-3.03	-0.93	0.71	1.45	1.79	1.97	2.00	-0.75	-1.46	1.80	
CONSTRUCTION.....	15606	15243	15681	17392	15928	15493	16014	17760	16233	15757	16254	15906	16207	16501	
% CHG SAME QTR LAST YR....	-6.39	-5.99	-3.47	1.75	2.06	1.64	2.13	2.11	1.91	1.70	1.50	-5.48	1.89	1.81	
MANUFACTURING.....	17007	16948	16781	16854	16739	16744	16776	16911	16812	16832	16870	16932	16778	16856	
% CHG SAME QTR LAST YR....	-1.69	-0.81	-0.43	-0.81	-1.58	-1.20	-0.03	0.34	0.44	0.53	0.56	-1.61	-0.91	0.47	
DURABLE GOODS.....	17709	17561	17225	17125	16925	16959	16918	16931	16779	16856	16849	17549	16982	16854	
% CHG SAME QTR LAST YR....	-0.89	-1.41	-2.79	-3.25	-4.43	-3.43	-1.78	-1.13	-0.86	-0.61	-0.40	-2.09	-3.23	-0.75	
NONDURABLE GOODS.....	16312	16342	16341	16582	16552	16531	16635	16891	16845	16809	16892	16322	16575	16859	
% CHG SAME QTR LAST YR....	-2.47	-0.19	2.08	1.77	1.47	1.16	1.80	1.86	1.77	1.68	1.54	-1.07	1.55	1.71	
TRADE.....	11929	11842	11584	12043	11806	11709	11590	12102	11878	11781	11651	11858	11787	11853	
% CHG SAME QTR LAST YR....	1.49	1.28	0.07	-0.29	-1.03	-1.12	0.04	0.49	0.61	0.61	0.53	0.59	-0.60	0.56	
SERVICES.....	14580	14213	14322	14604	14197	14087	14376	14738	14355	14250	14535	14496	14316	14470	
% CHG SAME QTR LAST YR....	-0.68	-3.27	-3.35	-1.78	-2.62	-0.89	0.38	0.92	1.11	1.16	1.11	-2.33	-1.24	1.07	
FIN,INS,REAL EST.....	17960	17865	17860	17956	17781	17730	17961	18158	18019	17977	18201	17903	17857	18089	
% CHG SAME QTR LAST YR....	-0.50	-0.75	-1.54	0.15	-1.00	-0.76	0.56	1.13	1.34	1.40	1.34	-1.48	-0.26	1.30	
TRANS,COMM,PUB UTIL.....	20041	20211	20013	20359	20040	19940	19926	20368	20107	20028	20002	20079	20066	20126	
% CHG SAME QTR LAST YR....	-3.16	-3.38	-2.26	1.53	-0.01	-1.34	-0.43	0.05	0.34	0.44	0.38	-3.49	-0.07	0.30	
GOVERNMENT.....	15765	16277	15439	15589	15711	16249	15534	15698	15787	16314	15587	15828	15771	15847	
% CHG SAME QTR LAST YR....	-2.42	-2.57	-3.11	-1.53	-0.35	-0.17	0.62	0.70	0.49	0.40	0.34	-2.95	-0.36	0.48	
FEDERAL,CIVILIAN.....	21374	21583	21511	21185	21094	21279	21330	20972	20753	20927	20960	21666	21222	20903	
% CHG SAME QTR LAST YR....	-5.94	-3.89	-3.65	-4.55	-1.31	-1.41	-0.84	-1.01	-1.61	-1.66	-1.73	-4.98	-2.05	-1.50	
STATE AND LOCAL.....	14383	14975	14049	14261	14408	14999	14189	14429	14570	15153	14323	14435	14464	14619	
% CHG SAME QTR LAST YR....	-1.76	-2.35	-3.13	-0.51	0.18	0.16	1.00	1.18	1.12	1.02	0.94	-2.53	0.20	1.07	

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 32: TENNESSEE AVERAGE ANNUAL WAGE AND SALARY RATE BY SECTOR
SEASONALLY ADJUSTED 1982 DOLLARS

	HISTORY					FORECAST - DATA							ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992	
TOTAL NONAGRICULTURAL.....	15293	15250	15101	15074	15100	15116	15124	15160	15207	15234	15240	15207	15104	15210	
% CHG PREV QTR SAAR.....	2.92	-1.10	-3.86	-0.71	0.68	0.44	0.21	0.96	1.24	0.70	0.17	-1.95	-0.68	0.71	
% CHG SAME QTR LAST YR....	-1.33	-1.74	-1.83	-0.72	-1.26	-0.88	0.15	0.57	0.71	0.78	0.76	-1.95	-0.68	0.71	
MINING.....	21132	20752	20491	20441	20494	20563	20635	20737	20861	20967	21048	20830	20533	20903	
% CHG PREV QTR SAAR.....	3.58	-7.01	-4.94	-0.97	1.04	1.35	1.42	1.99	2.42	2.04	1.56	-0.79	-1.43	1.80	
% CHG SAME QTR LAST YR....	3.79	-0.60	-8.13	-2.42	-3.02	-0.91	0.71	1.45	1.79	1.97	2.00	-0.79	-1.43	1.80	
CONSTRUCTION.....	15810	15970	15953	16029	16139	16227	16293	16368	16448	16503	16536	15871	16172	16464	
% CHG PREV QTR SAAR.....	1.51	4.10	-0.42	1.92	2.77	2.19	1.63	1.87	1.97	1.34	0.81	-5.47	1.89	1.80	
% CHG SAME QTR LAST YR....	-6.36	-6.05	-3.47	1.77	2.08	1.61	2.13	2.11	1.91	1.70	1.50	-5.47	1.89	1.80	
MANUFACTURING.....	17045	16991	16799	16756	16776	16787	16794	16813	16850	16875	16888	16931	16778	16857	
% CHG PREV QTR SAAR.....	3.74	-1.27	-4.43	-1.03	0.48	0.26	0.16	0.46	0.88	0.60	0.30	-1.61	-0.90	0.47	
% CHG SAME QTR LAST YR....	-1.70	-0.79	-0.44	-0.79	-1.58	-1.20	-0.03	0.34	0.44	0.53	0.56	-1.61	-0.90	0.47	
DURABLE GOODS.....	17795	17557	17211	17061	17007	16956	16903	16869	16861	16852	16834	17548	16982	16854	
% CHG PREV QTR SAAR.....	3.82	-5.25	-7.66	-3.44	-1.27	-1.20	-1.24	-0.80	-0.19	-0.22	-0.41	-2.08	-3.23	-0.75	
% CHG SAME QTR LAST YR....	-0.91	-1.38	-2.80	-3.22	-4.43	-3.43	-1.79	-1.12	-0.86	-0.61	-0.41	-2.08	-3.23	-0.75	
NONDURABLE GOODS.....	16306	16428	16390	16451	16546	16618	16684	16757	16839	16899	16942	16321	16575	16859	
% CHG PREV QTR SAAR.....	3.61	3.03	-0.93	1.51	2.32	1.77	1.60	1.74	1.97	1.44	1.03	-1.07	1.55	1.71	
% CHG SAME QTR LAST YR....	-2.48	-0.17	2.08	1.79	1.47	1.16	1.80	1.86	1.77	1.69	1.54	-1.07	1.55	1.71	
TRADE.....	11903	11926	11795	11765	11780	11793	11801	11823	11852	11865	11863	11856	11785	11851	
% CHG PREV QTR SAAR.....	3.58	0.78	-4.31	-1.02	0.51	0.43	0.26	0.75	1.01	0.43	-0.08	0.60	-0.60	0.56	
% CHG SAME QTR LAST YR....	1.49	1.28	0.07	-0.28	-1.03	-1.12	0.04	0.49	0.61	0.61	0.53	0.60	-0.60	0.56	
SERVICES.....	14684	14458	14300	14270	14299	14328	14354	14401	14458	14495	14513	14493	14313	14467	
% CHG PREV QTR SAAR.....	4.34	-6.01	-4.31	-0.84	0.82	0.82	0.72	1.31	1.60	1.02	0.49	-2.34	-1.24	1.07	
% CHG SAME QTR LAST YR....	-0.68	-3.29	-3.34	-1.78	-2.62	-0.90	0.38	0.92	1.11	1.16	1.11	-2.34	-1.24	1.07	
FIN,INS,REAL EST.....	18016	18015	17821	17790	17834	17880	17922	17991	18073	18129	18162	17903	17857	18089	
% CHG PREV QTR SAAR.....	5.85	-0.02	-4.23	-0.69	1.00	1.02	0.94	1.55	1.84	1.25	0.71	-1.47	-0.26	1.30	
% CHG SAME QTR LAST YR....	-0.52	-0.74	-1.54	0.16	-1.01	-0.75	0.56	1.13	1.34	1.40	1.34	-1.47	-0.26	1.30	
TRANS,COMM,PUB UTIL.....	20061	20332	20145	20077	20063	20056	20058	20086	20130	20145	20134	20077	20063	20124	
% CHG PREV QTR SAAR.....	6.00	5.51	-3.63	-1.35	-0.28	-0.13	0.02	0.57	0.88	0.29	-0.21	-3.48	-0.07	0.30	
% CHG SAME QTR LAST YR....	-3.13	-3.41	-2.30	1.55	0.01	-1.36	-0.43	0.05	0.34	0.44	0.38	-3.48	-0.07	0.30	
GOVERNMENT.....	15836	15820	15686	15709	15779	15798	15782	15818	15856	15863	15834	15825	15767	15843	
% CHG PREV QTR SAAR.....	-2.99	-0.38	-3.35	0.58	1.80	0.48	-0.42	0.94	0.96	0.16	-0.73	-2.95	-0.36	0.48	
% CHG SAME QTR LAST YR....	-2.42	-2.51	-3.12	-1.55	-0.36	-0.14	0.61	0.70	0.49	0.41	0.33	-2.95	-0.36	0.48	
FEDERAL,CIVILIAN.....	21644	21559	21197	21249	21366	21255	21018	21035	21021	20903	20654	21666	21222	20903	
% CHG PREV QTR SAAR.....	-10.67	-1.56	-6.55	0.98	2.22	-2.07	-4.37	0.32	-0.27	-2.24	-4.68	-4.98	-2.05	-1.50	
% CHG SAME QTR LAST YR....	-5.89	-3.90	-3.65	-4.56	-1.28	-1.41	-0.84	-1.01	-1.61	-1.66	-1.73	-4.98	-2.05	-1.50	
STATE AND LOCAL.....	14419	14459	14376	14387	14442	14487	14519	14557	14603	14635	14656	14429	14459	14613	
% CHG PREV QTR SAAR.....	-1.25	1.13	-2.29	0.32	1.53	1.27	0.89	1.04	1.28	0.89	0.56	-2.54	0.20	1.07	
% CHG SAME QTR LAST YR....	-1.79	-2.28	-3.13	-0.53	0.16	0.19	1.00	1.18	1.12	1.02	0.94	-2.54	0.20	1.07	

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 33: TENNESSEE AVERAGE ANNUAL WAGE AND SALARY RATE BY SECTOR
CURRENT DOLLARS

	HISTORY			FORECAST - DATA								ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992
TOTAL NONAGRICULTURAL.....	20611	20787	20935	21665	21502	21705	21874	22661	22516	22747	22934	20750	21686	22714
% CHG SAME QTR LAST YR....	3.01	3.33	4.06	4.83	4.32	4.41	4.49	4.60	4.72	4.80	4.84	3.04	4.51	4.74
MINING.....	28290	28230	28158	29917	28982	29460	29580	31566	30676	31242	31390	28429	29485	31219
% CHG SAME QTR LAST YR....	8.33	4.49	-2.55	3.03	2.45	4.36	5.05	5.51	5.85	6.05	6.12	4.24	3.71	5.88
CONSTRUCTION.....	21100	20871	21908	24612	22752	22346	23340	26139	24110	23637	24645	21696	23262	24633
% CHG SAME QTR LAST YR....	-2.27	-1.13	2.32	7.46	7.83	7.07	6.53	6.20	5.97	5.78	5.59	-0.67	7.22	5.89
MANUFACTURING.....	22993	23205	23445	23851	23909	24151	24450	24890	24970	25251	25580	23103	24090	25173
% CHG SAME QTR LAST YR....	2.64	4.31	5.54	4.75	3.98	4.07	4.29	4.36	4.43	4.55	4.62	3.41	4.27	4.49
DURABLE GOODS.....	23942	24045	24065	24234	24175	24461	24656	24919	24921	25286	25548	23943	24382	25169
% CHG SAME QTR LAST YR....	3.47	3.68	3.04	2.18	0.97	1.73	2.45	2.83	3.09	3.37	3.62	2.89	1.83	3.23
NONDURABLE GOODS.....	22054	22375	22830	23466	23643	23843	24244	24861	25019	25215	25612	22273	23799	25177
% CHG SAME QTR LAST YR....	1.82	4.97	8.21	7.48	7.20	6.56	6.19	5.94	5.82	5.75	5.64	3.99	6.85	5.79
TRADE.....	16128	16214	16185	17043	16864	16889	16891	17812	17643	17673	17665	16178	16922	17698
% CHG SAME QTR LAST YR....	5.96	6.51	6.08	5.30	4.57	4.16	4.36	4.51	4.62	4.64	4.59	5.71	4.60	4.59
SERVICES.....	19712	19462	20010	20667	20279	20317	20952	21691	21321	21377	22039	19777	20554	21607
% CHG SAME QTR LAST YR....	3.69	1.72	2.45	3.73	2.88	4.40	4.71	4.96	5.14	5.22	5.19	2.63	3.93	5.12
FIN,INS,REAL EST.....	24282	24461	24953	25410	25398	25572	26177	26725	26762	26968	27598	24430	25639	27013
% CHG SAME QTR LAST YR....	3.88	4.38	4.37	5.77	4.60	4.54	4.90	5.18	5.37	5.46	5.43	3.54	4.95	5.36
TRANS,COMM,PUB UTIL.....	27096	27674	27960	28810	28625	28760	29040	29978	29865	30044	30328	27400	28809	30054
% CHG SAME QTR LAST YR....	1.10	1.61	3.60	7.22	5.64	3.92	3.86	4.05	4.33	4.47	4.43	1.44	5.14	4.32
GOVERNMENT.....	21314	22287	21571	22060	22441	23436	22640	23104	23448	24473	23633	21596	22645	23665
% CHG SAME QTR LAST YR....	1.88	2.46	2.71	3.99	5.29	5.16	4.96	4.73	4.49	4.42	4.39	1.99	4.85	4.51
FEDERAL,CIVILIAN.....	28898	29553	30054	29980	30130	30692	31086	30867	30824	31393	31780	29561	30472	31216
% CHG SAME QTR LAST YR....	-1.80	1.07	2.14	0.81	4.27	3.85	3.43	2.96	2.30	2.28	2.23	-0.13	3.08	2.44
STATE AND LOCAL.....	19446	20505	19628	20181	20581	21634	20680	21238	21639	22731	21717	19697	20769	21831
% CHG SAME QTR LAST YR....	2.56	2.70	2.68	5.07	5.84	5.51	5.36	5.23	5.14	5.07	5.02	2.42	5.44	5.11

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 34: TENNESSEE AVERAGE ANNUAL WAGE AND SALARY RATE BY SECTOR
SEASONALLY ADJUSTED CURRENT DOLLARS

	HISTORY										FORECAST - DATA				ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992			
TOTAL NONAGRICULTURAL.....	20676	20881	21098	21332	21569	21803	22042	22313	22586	22852	23108	20750	21686	22715			
% CHG PREV QTR SAAR.....	6.66	4.04	4.22	4.51	4.51	4.41	4.47	5.01	4.98	4.79	4.55	3.05	4.51	4.74			
% CHG SAME QTR LAST YR....	3.02	3.34	4.06	4.85	4.32	4.41	4.48	4.60	4.72	4.81	4.83	3.05	4.51	4.74			
MINING.....	28571	28414	28628	28927	29273	29658	30074	30521	30984	31453	31914	28421	29483	31218			
% CHG PREV QTR SAAR.....	7.34	-2.17	3.04	4.24	4.88	5.36	5.73	6.09	6.21	6.18	6.00	4.21	3.74	5.89			
% CHG SAME QTR LAST YR....	8.36	4.53	-2.61	3.05	2.46	4.38	5.05	5.51	5.85	6.05	6.12	4.21	3.74	5.89			
CONSTRUCTION.....	21376	21867	22289	22684	23053	23404	23745	24091	24430	24756	25073	21659	23222	24588			
% CHG PREV QTR SAAR.....	5.20	9.51	7.94	7.28	6.67	6.23	5.95	5.96	5.74	5.45	5.22	-0.65	7.21	5.88			
% CHG SAME QTR LAST YR....	-2.24	-1.20	2.33	7.47	7.85	7.03	6.53	6.20	5.97	5.78	5.59	-0.65	7.21	5.88			
MANUFACTURING.....	23045	23264	23471	23712	23963	24212	24476	24746	25027	25315	25606	23103	24091	25173			
% CHG PREV QTR SAAR.....	7.50	3.87	3.60	4.18	4.30	4.23	4.42	4.49	4.61	4.69	4.69	3.41	4.28	4.49			
% CHG SAME QTR LAST YR....	2.63	4.34	5.53	4.77	3.98	4.07	4.28	4.36	4.44	4.55	4.62	3.41	4.28	4.49			
DURABLE GOODS.....	24059	24040	24046	24144	24293	24456	24635	24829	25043	25280	25525	23942	24382	25169			
% CHG PREV QTR SAAR.....	7.59	-0.32	0.10	1.64	2.49	2.71	2.96	3.19	3.50	3.83	3.94	2.90	1.84	3.23			
% CHG SAME QTR LAST YR....	3.45	3.71	3.03	2.20	0.97	1.73	2.45	2.84	3.09	3.37	3.61	2.90	1.84	3.23			
NONDURABLE GOODS.....	22046	22494	22898	23281	23634	23969	24316	24663	25010	25350	25688	22274	23800	25178			
% CHG PREV QTR SAAR.....	7.37	8.38	7.39	6.85	6.21	5.79	5.92	5.83	5.75	5.56	5.44	3.99	6.85	5.79			
% CHG SAME QTR LAST YR....	1.82	4.98	8.20	7.50	7.20	6.56	6.19	5.94	5.82	5.76	5.64	3.99	6.85	5.79			
TRADE.....	16092	16329	16480	16649	16827	17009	17198	17401	17604	17799	17987	16178	16921	17698			
% CHG PREV QTR SAAR.....	7.34	6.02	3.73	4.19	4.33	4.41	4.52	4.80	4.74	4.51	4.28	5.72	4.59	4.59			
% CHG SAME QTR LAST YR....	5.95	6.51	6.08	5.31	4.56	4.16	4.36	4.51	4.62	4.64	4.59	5.72	4.59	4.59			
SERVICES.....	19853	19797	19979	20194	20425	20666	20920	21196	21474	21744	22005	19774	20551	21605			
% CHG PREV QTR SAAR.....	8.12	-1.12	3.73	4.38	4.65	4.81	5.00	5.38	5.36	5.13	4.89	2.62	3.93	5.13			
% CHG SAME QTR LAST YR....	3.69	1.71	2.46	3.73	2.88	4.39	4.71	4.96	5.14	5.22	5.19	2.62	3.93	5.13			
FIN,INS,REAL EST.....	24357	24666	24899	25176	25475	25789	26120	26480	26843	27196	27538	24431	25640	27014			
% CHG PREV QTR SAAR.....	9.69	5.17	3.82	4.53	4.83	5.02	5.23	5.63	5.61	5.37	5.12	3.55	4.95	5.36			
% CHG SAME QTR LAST YR....	3.86	4.39	4.37	5.78	4.59	4.55	4.90	5.18	5.37	5.46	5.43	3.55	4.95	5.36			
TRANS,COMM,PUB UTIL.....	27123	27840	28145	28412	28658	28928	29232	29563	29899	30220	30528	27400	28808	30053			
% CHG PREV QTR SAAR.....	9.85	11.00	4.46	3.84	3.51	3.82	4.28	4.61	4.62	4.36	4.15	1.45	5.14	4.32			
% CHG SAME QTR LAST YR....	1.13	1.58	3.57	7.24	5.66	3.91	3.86	4.05	4.33	4.47	4.43	1.45	5.14	4.32			
GOVERNMENT.....	21410	21662	21916	22230	22539	22786	23000	23282	23551	23796	24007	21592	22639	23659			
% CHG PREV QTR SAAR.....	0.53	4.80	4.77	5.87	5.67	4.45	3.82	4.99	4.70	4.22	3.61	1.99	4.85	4.51			
% CHG SAME QTR LAST YR....	1.87	2.53	2.70	3.97	5.28	5.19	4.95	4.73	4.49	4.43	4.38	1.99	4.85	4.51			
FEDERAL,CIVILIAN.....	29263	29520	29615	30071	30519	30656	30632	30960	31222	31356	31316	29558	30470	31214			
% CHG PREV QTR SAAR.....	-7.42	3.56	1.30	6.30	6.10	1.80	-0.31	4.35	3.42	1.73	-0.51	-0.14	3.08	2.44			
% CHG SAME QTR LAST YR....	-1.75	1.06	2.13	0.80	4.29	3.85	3.43	2.96	2.30	2.28	2.23	-0.14	3.08	2.44			
STATE AND LOCAL.....	19494	19798	20084	20360	20628	20895	21161	21425	21689	21955	22222	19690	20761	21823			
% CHG PREV QTR SAAR.....	2.34	6.39	5.91	5.59	5.39	5.28	5.18	5.09	5.03	4.99	4.96	2.42	5.44	5.11			
% CHG SAME QTR LAST YR....	2.53	2.76	2.69	5.05	5.82	5.54	5.36	5.23	5.14	5.07	5.02	2.42	5.44	5.11			

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 35: TENNESSEE CIVILIAN LABOR FORCE AND UNEMPLOYMENT RATE

	HISTORY		FORECAST - DATA									ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992
CIVILIAN LABOR FORCE (THOUS)....	2393	2428	2404	2390	2420	2449	2421	2407	2438	2467	2440	2400	2420	2438
% CHG SAME QTR LAST YR.....	1.25	1.21	0.82	0.64	1.10	0.85	0.70	0.72	0.74	0.73	0.79	1.36	0.82	0.75
EMPLOYED PERSONS (THOUS).....	2268	2305	2276	2232	2252	2289	2278	2248	2271	2313	2299	2275	2263	2283
% CHG SAME QTR LAST YR.....	1.49	0.99	0.17	-0.81	-0.70	-0.71	0.06	0.72	0.85	1.04	0.92	1.24	-0.54	0.88
UNEMPLOYED PERSONS (THOUS)....	125	123	128	158	167	160	144	160	166	154	142	125	157	155
% CHG SAME QTR LAST YR.....	-3.01	5.58	13.92	26.70	33.84	29.95	12.00	0.75	-0.71	-3.69	-1.31	3.58	25.52	-1.24
PARTICIPATION RATE (PERCENT)....	61.9	62.7	61.9	61.4	62.1	62.7	61.8	61.3	62.0	62.7	61.8	62.0	62.0	62.0
% CHG SAME QTR LAST YR.....	0.25	0.36	-0.03	-0.21	0.26	0.01	-0.12	-0.09	-0.08	-0.10	-0.03	0.41	-0.02	-0.08
UNEMPLOYMENT RATE (PERCENT)....	5.2	5.1	5.3	6.6	6.9	6.5	5.9	6.6	6.8	6.2	5.8	5.2	6.5	6.4

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
 TABLE 36: TENNESSEE CIVILIAN LABOR FORCE AND UNEMPLOYMENT RATE
 SEASONALLY ADJUSTED

	HISTORY					FORECAST - DATA						ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992
CIVILIAN LABOR FORCE (THOUS)....	2394	2399	2408	2416	2418	2420	2426	2433	2436	2438	2445	2401	2420	2438
% CHG PREV QTR SAAR.....	-1.38	0.99	1.40	1.29	0.40	0.36	0.98	1.16	0.51	0.26	1.19	1.38	0.80	0.74
% CHG SAME QTR LAST YR.....	1.30	1.21	0.90	0.57	1.02	0.86	0.75	0.72	0.75	0.73	0.78	1.38	0.80	0.74
EMPLOYED PERSONS (THOUS).....	2276	2277	2268	2260	2260	2260	2270	2277	2279	2284	2291	2275	2263	2283
% CHG PREV QTR SAAR.....	-0.71	0.18	-1.46	-1.37	-0.05	0.04	1.65	1.25	0.47	0.78	1.19	1.24	-0.54	0.88
% CHG SAME QTR LAST YR.....	1.54	0.98	0.19	-0.84	-0.68	-0.71	0.06	0.72	0.85	1.04	0.92	1.24	-0.54	0.88
UNEMPLOYED PERSONS (THOUS)....	118	123	140	155	158	160	156	156	157	154	154	126	157	155
% CHG PREV QTR SAAR.....	-13.35	17.55	66.56	52.40	7.15	4.97	-8.19	-0.20	1.06	-7.08	1.22	3.93	25.10	-1.25
% CHG SAME QTR LAST YR.....	-3.18	5.64	13.93	26.81	33.72	29.99	12.00	0.75	-0.71	-3.69	-1.31	3.93	25.10	-1.25
PARTICIPATION RATE (PERCENT)....	61.9	62.0	62.0	62.0	62.0	62.0	62.0	62.0	62.0	61.9	61.9	62.0	62.0	62.0
% CHG PREV QTR SAAR.....	-1.80	0.54	0.13	0.02	0.00	-0.04	-0.25	-0.07	0.08	-0.17	-0.02	0.43	-0.04	-0.08
% CHG SAME QTR LAST YR.....	0.29	0.36	0.05	-0.28	0.17	0.03	-0.07	-0.09	-0.07	-0.10	-0.05	0.43	-0.04	-0.08
UNEMPLOYMENT RATE (PERCENT)....	4.9	5.1	5.8	6.4	6.5	6.6	6.4	6.4	6.4	6.3	6.3	5.2	6.5	6.4

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 37: TENNESSEE TAXABLE SALES
MILLIONS OF 1982 DOLLARS

	HISTORY		FORECAST - DATA									ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992
TOTAL.....	7903	7719	7792	6584	7653	7708	7985	6704	7787	7798	8093	30464	29930	30381
% CHG SAME QTR LAST YR.....	0.37	-3.76	-3.18	-6.61	-3.16	-0.15	2.48	1.81	1.75	1.17	1.35	-1.10	-1.75	1.51
AUTO DEALERS.....	833	802	626	654	733	752	609	652	736	760	618	3049	2748	2765
% CHG SAME QTR LAST YR.....	-9.30	-17.47	-13.76	-17.03	-12.03	-6.17	-2.82	-0.29	0.35	1.02	1.46	-11.82	-9.89	0.63
PURCHASES FROM MANUFACTURERS..	560	576	544	486	563	589	573	513	596	625	607	2180	2211	2341
% CHG SAME QTR LAST YR.....	-3.03	-6.15	-5.32	-2.77	0.56	2.36	5.16	5.52	5.87	6.03	5.95	-4.25	1.42	5.85
MISC DURABLE GOODS.....	1302	1208	1134	950	1204	1174	1129	955	1200	1171	1129	4745	4458	4454
% CHG SAME QTR LAST YR.....	-0.67	-7.72	-6.98	-13.68	-7.54	-2.80	-0.37	0.48	-0.35	-0.31	-0.08	-3.18	-6.04	-0.09
EATING AND DRINKING PLACES....	647	639	593	537	626	643	611	557	643	658	623	2452	2418	2481
% CHG SAME QTR LAST YR.....	3.93	-0.15	-3.87	-6.08	-3.18	0.54	2.97	3.68	2.65	2.34	1.98	1.07	-1.40	2.63
FOOD STORES.....	1128	1178	1083	1001	1120	1137	1063	983	1120	1102	1053	4448	4321	4257
% CHG SAME QTR LAST YR.....	-3.63	1.02	-2.14	-5.47	-0.75	-3.48	-1.86	-1.78	0.02	-3.10	-0.99	-1.02	-2.87	-1.47
LIQUOR STORES.....	46	44	56	41	41	40	52	38	38	38	49	190	173	164
% CHG SAME QTR LAST YR.....	0.22	-4.54	-3.62	-9.42	-10.86	-9.19	-7.62	-6.28	-5.27	-4.63	-4.25	-1.90	-9.18	-5.05
HOTELS AND MOTELS.....	205	219	171	139	205	229	182	145	212	235	187	735	754	780
% CHG SAME QTR LAST YR.....	3.29	-2.58	-4.17	-0.90	-0.28	4.49	6.52	4.50	3.77	2.87	3.04	0.00	2.60	3.45
OTHER RETAIL AND SERVICE.....	2050	1949	2374	1730	2026	2009	2498	1796	2080	2046	2524	8161	8264	8446
% CHG SAME QTR LAST YR.....	2.51	-2.29	-0.94	-3.20	-1.19	3.10	5.20	3.79	2.65	1.81	1.05	0.35	1.25	2.20
MISC NONDURABLE GOODS.....	690	678	785	609	678	681	805	618	689	693	820	2781	2772	2820
% CHG SAME QTR LAST YR.....	2.89	-0.48	-0.57	-2.95	-1.81	0.37	2.48	1.47	1.70	1.80	1.90	1.08	-0.33	1.73
TRANSPORTATION, COMMUNICATION..	441	427	424	437	458	454	464	447	472	471	483	1722	1812	1873
% CHG SAME QTR LAST YR.....	23.15	14.25	11.57	1.60	3.86	6.32	9.38	2.24	3.25	3.82	4.10	20.04	5.27	3.37
PER CAPITA (\$).	1585	1546	1556	1311	1522	1530	1581	1323	1535	1535	1588	6104	5943	5980
% CHG SAME QTR LAST YR.....	-0.64	-4.62	-4.04	-7.44	-4.03	-1.03	1.58	0.93	0.86	0.28	0.46	-2.05	-2.63	0.62

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 38: TENNESSEE TAXABLE SALES
MILLIONS OF SEASONALLY ADJUSTED 1982 DOLLARS

	HISTORY					FORECAST - DATA						ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992
TOTAL.....	7697	7515	7361	7412	7459	7513	7531	7550	7592	7601	7633	30509	29915	30377
% CHG PREV QTR SAAR.....	-11.55	-9.13	-7.91	2.78	2.57	2.89	0.97	1.04	2.20	0.50	1.71	-0.97	-1.95	1.54
% CHG SAME QTR LAST YR.....	0.43	-3.52	-3.46	-6.61	-3.08	-0.03	2.30	1.87	1.77	1.18	1.36	-0.97	-1.95	1.54
AUTO DEALERS.....	784	729	706	689	688	686	686	687	691	693	696	3051	2749	2767
% CHG PREV QTR SAAR.....	-21.15	-24.92	-12.30	-9.01	-0.75	-1.31	0.08	0.82	1.84	1.34	1.86	-11.69	-9.87	0.63
% CHG SAME QTR LAST YR.....	-9.63	-17.13	-13.67	-17.10	-12.19	-5.97	-2.82	-0.29	0.35	1.02	1.46	-11.69	-9.87	0.63
PURCHASES FROM MANUFACTURERS..	545	542	539	541	548	557	567	571	580	591	601	2186	2213	2343
% CHG PREV QTR SAAR.....	-9.50	-2.17	-2.37	1.59	5.31	6.66	7.19	2.98	6.69	7.31	6.86	-4.16	1.27	5.84
% CHG SAME QTR LAST YR.....	-3.06	-5.47	-5.11	-3.20	0.54	2.74	5.16	5.52	5.87	6.03	5.95	-4.16	1.27	5.84
MISC DURABLE GOODS.....	1207	1147	1118	1112	1117	1115	1113	1118	1113	1111	1113	4761	4457	4454
% CHG PREV QTR SAAR.....	-23.05	-18.55	-9.86	-1.85	1.56	-0.67	-0.47	1.53	-1.75	-0.52	0.47	-2.91	-6.38	-0.06
% CHG SAME QTR LAST YR.....	-0.60	-7.73	-7.04	-13.71	-7.51	-2.80	-0.37	0.48	-0.35	-0.31	-0.08	-2.91	-6.38	-0.06
EATING AND DRINKING PLACES....	621	605	596	593	602	608	614	615	618	622	626	2453	2416	2480
% CHG PREV QTR SAAR.....	-6.32	-10.25	-5.63	-1.98	6.01	4.15	3.88	0.77	1.85	2.90	2.43	1.13	-1.51	2.66
% CHG SAME QTR LAST YR.....	4.02	-0.19	-3.93	-6.09	-3.15	0.53	2.97	3.68	2.65	2.34	1.98	1.13	-1.51	2.66
FOOD STORES.....	1090	1132	1086	1080	1081	1093	1066	1061	1081	1059	1055	4450	4320	4256
% CHG PREV QTR SAAR.....	-17.15	16.68	-15.37	-2.15	0.19	4.60	-9.52	-1.86	7.73	-7.84	-1.39	-0.98	-2.93	-1.47
% CHG SAME QTR LAST YR.....	-3.74	1.02	-2.16	-5.41	-0.81	-3.48	-1.86	-1.78	0.02	-3.10	-0.99	-0.98	-2.93	-1.47
LIQUOR STORES.....	49	47	46	44	44	43	42	42	41	41	40	191	173	164
% CHG PREV QTR SAAR.....	-2.32	-13.18	-11.89	-10.10	-7.91	-6.61	-5.82	-4.75	-3.86	-4.06	-4.31	-1.76	-9.29	-5.12
% CHG SAME QTR LAST YR.....	0.39	-4.45	-3.76	-9.47	-10.79	-9.15	-7.62	-6.28	-5.27	-4.63	-4.25	-1.76	-9.29	-5.12
HOTELS AND MOTELS.....	187	182	181	185	187	190	192	193	194	195	198	736	754	780
% CHG PREV QTR SAAR.....	1.59	-11.37	-2.26	8.90	5.01	7.02	5.19	0.86	2.11	3.37	5.88	0.26	2.40	3.53
% CHG SAME QTR LAST YR.....	3.38	-2.40	-4.26	-1.06	-0.23	4.58	6.52	4.50	3.77	2.87	3.04	0.26	2.40	3.53
OTHER RETAIL AND SERVICE.....	2076	2014	1995	2025	2051	2075	2098	2102	2105	2112	2120	8175	8249	8440
% CHG PREV QTR SAAR.....	-2.91	-11.46	-3.70	6.26	5.20	4.73	4.62	0.68	0.64	1.37	1.52	0.47	0.91	2.31
% CHG SAME QTR LAST YR.....	2.49	-2.40	-0.96	-3.15	-1.19	3.04	5.20	3.79	2.65	1.81	1.05	0.47	0.91	2.31
MISC NONDURABLE GOODS.....	704	691	679	690	691	694	696	701	703	706	709	2786	2771	2819
% CHG PREV QTR SAAR.....	-4.61	-7.12	-6.59	6.79	0.58	1.28	1.41	2.63	1.51	1.67	1.78	1.19	-0.51	1.72
% CHG SAME QTR LAST YR.....	3.02	-0.42	-0.63	-3.04	-1.75	0.40	2.48	1.47	1.70	1.80	1.90	1.19	-0.51	1.72
TRANSPORTATION, COMMUNICATION..	434	426	417	452	451	453	456	462	466	470	475	1722	1812	1873
% CHG PREV QTR SAAR.....	-8.94	-7.54	-8.22	37.56	-0.24	1.57	2.71	5.01	3.74	3.83	3.84	20.15	5.22	3.36
% CHG SAME QTR LAST YR.....	23.21	14.31	11.54	1.54	3.88	6.35	9.38	2.24	3.25	3.82	4.10	20.15	5.22	3.36
PER CAPITA (\$).	1544	1505	1470	1476	1483	1492	1491	1490	1496	1496	1498	6114	5941	5980
% CHG PREV QTR SAAR.....	-12.04	-9.67	-9.03	1.53	2.00	2.33	-0.23	-0.15	1.61	-0.08	0.52	-1.93	-2.83	0.65
% CHG SAME QTR LAST YR.....	-0.58	-4.38	-4.32	-7.44	-3.95	-0.91	1.40	0.98	0.88	0.28	0.47	-1.93	-2.83	0.65

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
 TABLE 39: TENNESSEE TAXABLE SALES
 MILLIONS OF CURRENT DOLLARS

	HISTORY		FORECAST - DATA									ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992
TOTAL.....	10684	10569	10886	9318	10931	11117	11638	9867	11565	11698	12271	41587	43004	45400
% CHG SAME QTR LAST YR.....	4.79	1.21	2.63	-1.37	2.31	5.18	6.91	5.89	5.80	5.22	5.44	3.91	3.41	5.57
AUTO DEALERS.....	1126	1098	875	925	1047	1085	887	959	1092	1140	937	4155	3945	4129
% CHG SAME QTR LAST YR.....	-5.31	-13.21	-8.59	-12.37	-7.06	-1.16	1.37	3.70	4.34	5.06	5.56	-7.41	-5.07	4.66
PURCHASES FROM MANUFACTURERS..	757	788	761	687	805	850	834	754	886	938	920	2976	3177	3497
% CHG SAME QTR LAST YR.....	1.24	-1.30	0.36	2.68	6.24	7.83	9.70	9.75	10.08	10.28	10.22	0.61	6.75	10.10
MISC DURABLE GOODS.....	1761	1654	1584	1345	1720	1694	1646	1405	1782	1756	1711	6474	6404	6655
% CHG SAME QTR LAST YR.....	3.71	-2.96	-1.40	-8.83	-2.32	2.38	3.93	4.50	3.62	3.68	3.96	1.69	-1.07	3.91
EATING AND DRINKING PLACES....	875	875	829	761	895	927	891	820	955	987	945	3346	3473	3707
% CHG SAME QTR LAST YR.....	8.51	5.01	1.90	-0.82	2.29	5.91	7.41	7.84	6.74	6.44	6.10	6.17	3.79	6.74
FOOD STORES.....	1525	1613	1514	1417	1599	1640	1550	1447	1663	1652	1596	6071	6205	6359
% CHG SAME QTR LAST YR.....	0.61	6.24	3.73	-0.17	4.86	1.67	2.38	2.15	4.00	0.78	3.01	4.01	2.21	2.48
LIQUOR STORES.....	62	60	78	58	58	57	75	56	57	57	75	260	248	245
% CHG SAME QTR LAST YR.....	4.64	0.39	2.17	-4.34	-5.83	-4.35	-3.64	-2.53	-1.50	-0.81	-0.38	3.12	-4.48	-1.24
HOTELS AND MOTELS.....	277	299	239	197	292	330	265	214	315	353	284	1004	1084	1166
% CHG SAME QTR LAST YR.....	7.84	2.45	1.59	4.66	5.36	10.06	11.11	8.68	7.90	6.99	7.20	5.04	8.00	7.59
OTHER RETAIL AND SERVICE.....	2772	2669	3317	2449	2894	2898	3640	2643	3089	3069	3827	11153	11881	12628
% CHG SAME QTR LAST YR.....	7.02	2.75	5.00	2.22	4.40	8.61	9.74	7.95	6.73	5.89	5.13	5.48	6.53	6.29
MISC NONDURABLE GOODS.....	933	929	1097	862	968	982	1173	909	1024	1040	1243	3800	3984	4216
% CHG SAME QTR LAST YR.....	7.42	4.66	5.40	2.49	3.73	5.73	6.91	5.53	5.75	5.88	6.01	6.25	4.86	5.81
TRANSPORTATION, COMMUNICATION..	596	584	592	618	654	654	676	658	702	707	732	2349	2603	2798
% CHG SAME QTR LAST YR.....	28.57	20.15	18.27	7.30	9.73	11.99	14.10	6.34	7.36	7.98	8.31	26.05	10.80	7.52
PER CAPITA (\$).	2143	2117	2174	1855	2173	2207	2304	1947	2279	2302	2408	8332	8539	8936
% CHG SAME QTR LAST YR.....	3.73	0.31	1.72	-2.25	1.40	4.25	5.97	4.97	4.87	4.30	4.51	2.91	2.48	4.65

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 40: TENNESSEE TAXABLE SALES
SEASONALLY ADJUSTED
MILLIONS OF CURRENT DOLLARS

	HISTORY					FORECAST - DATA								ANNUAL		
	199002	199003	199004	199101	199102	199103	199104	199201	199202	199203	199204	1990	1991	1992		
TOTAL.....	10406	10289	10285	10489	10655	10836	10976	11113	11275	11402	11574	41615	42955	45365		
% CHG PREV QTR SAAR.....	-8.33	-4.41	-0.18	8.19	6.47	6.96	5.26	5.10	5.98	4.58	6.16	4.03	3.22	5.61		
% CHG SAME QTR LAST YR.....	4.85	1.47	2.33	-1.37	2.39	5.31	6.72	5.95	5.82	5.23	5.45	4.03	3.22	5.61		
AUTO DEALERS.....	1059	999	986	976	983	989	1000	1012	1026	1039	1055	4159	3948	4132		
% CHG PREV QTR SAAR.....	-18.28	-21.02	-4.93	-4.23	3.03	2.60	4.33	4.86	5.61	5.46	6.31	-7.26	-5.08	4.67		
% CHG SAME QTR LAST YR.....	-5.65	-12.85	-8.49	-12.45	-7.22	-0.95	1.37	3.70	4.34	5.06	5.56	-7.26	-5.08	4.67		
PURCHASES FROM MANUFACTURERS..	737	742	753	766	783	804	826	840	862	886	911	2982	3179	3499		
% CHG PREV QTR SAAR.....	-6.21	2.92	5.83	6.94	9.31	10.87	11.75	7.12	10.63	11.67	11.53	0.70	6.60	10.09		
% CHG SAME QTR LAST YR.....	1.20	-0.58	0.59	2.23	6.22	8.22	9.70	9.75	10.08	10.28	10.22	0.70	6.60	10.09		
MISC DURABLE GOODS.....	1632	1570	1561	1574	1595	1608	1623	1645	1653	1667	1687	6491	6400	6652		
% CHG PREV QTR SAAR.....	-20.26	-14.31	-2.29	3.31	5.42	3.26	3.76	5.60	1.88	3.52	4.86	1.96	-1.41	3.94		
% CHG SAME QTR LAST YR.....	3.77	-2.97	-1.46	-8.87	-2.28	2.38	3.93	4.50	3.62	3.68	3.96	1.96	-1.41	3.94		
EATING AND DRINKING PLACES....	840	828	833	839	859	877	894	905	917	933	949	3347	3470	3704		
% CHG PREV QTR SAAR.....	-2.92	-5.59	2.29	3.17	10.03	8.27	8.29	4.82	5.62	7.08	6.91	6.23	3.68	6.76		
% CHG SAME QTR LAST YR.....	8.60	4.96	1.84	-0.83	2.33	5.89	7.41	7.84	6.74	6.44	6.10	6.23	3.68	6.76		
FOOD STORES.....	1473	1550	1517	1529	1544	1576	1553	1562	1605	1589	1600	6071	6202	6356		
% CHG PREV QTR SAAR.....	-14.14	22.75	-8.26	2.99	3.99	8.73	-5.68	2.08	11.72	-4.09	2.92	4.05	2.16	2.48		
% CHG SAME QTR LAST YR.....	0.50	6.24	3.71	-0.11	4.80	1.67	2.38	2.15	4.00	0.78	3.01	4.05	2.16	2.48		
LIQUOR STORES.....	66	64	64	63	62	62	61	61	61	61	61	260	248	245		
% CHG PREV QTR SAAR.....	1.23	-8.67	-4.49	-5.37	-4.41	-2.92	-1.81	-0.93	-0.31	-0.17	-0.13	3.20	-4.53	-1.31		
% CHG SAME QTR LAST YR.....	4.81	0.49	2.02	-4.39	-5.75	-4.30	-3.64	-2.53	-1.50	-0.81	-0.38	3.20	-4.53	-1.31		
HOTELS AND MOTELS.....	253	249	252	261	267	274	280	284	288	293	301	1004	1082	1165		
% CHG PREV QTR SAAR.....	5.28	-6.77	5.95	14.63	9.00	11.25	9.66	4.91	5.89	7.57	10.51	5.31	7.79	7.68		
% CHG SAME QTR LAST YR.....	7.93	2.64	1.49	4.49	5.40	10.16	11.11	8.68	7.90	6.99	7.20	5.31	7.79	7.68		
OTHER RETAIL AND SERVICE.....	2806	2757	2787	2866	2930	2993	3058	3094	3127	3169	3215	11152	11846	12605		
% CHG PREV QTR SAAR.....	0.61	-6.86	4.39	11.85	9.20	8.87	9.06	4.72	4.36	5.49	5.96	5.55	6.22	6.40		
% CHG SAME QTR LAST YR.....	7.01	2.64	4.99	2.28	4.39	8.55	9.74	7.95	6.73	5.89	5.13	5.55	6.22	6.40		
MISC NONDURABLE GOODS.....	951	946	949	977	988	1000	1014	1031	1044	1059	1075	3800	3979	4210		
% CHG PREV QTR SAAR.....	-1.14	-2.29	1.25	12.41	4.40	5.29	5.72	6.75	5.27	5.80	6.23	6.32	4.71	5.80		
% CHG SAME QTR LAST YR.....	7.56	4.72	5.34	2.40	3.80	5.76	6.91	5.53	5.75	5.88	6.01	6.32	4.71	5.80		
TRANSPORTATION, COMMUNICATION..	587	583	583	639	645	654	665	680	692	706	720	2349	2602	2797		
% CHG PREV QTR SAAR.....	-5.64	-2.73	-0.51	44.79	3.55	5.59	7.07	9.22	7.58	8.05	8.38	26.16	10.76	7.50		
% CHG SAME QTR LAST YR.....	28.63	20.21	18.24	7.23	9.75	12.03	14.10	6.34	7.36	7.98	8.31	26.16	10.76	7.50		
PER CAPITA (\$).....	2088	2061	2054	2088	2118	2151	2173	2193	2222	2244	2271	8339	8531	8930		
% CHG PREV QTR SAAR.....	-8.85	-4.97	-1.39	6.88	5.88	6.38	4.01	3.85	5.37	3.98	4.91	3.02	2.30	4.68		
% CHG SAME QTR LAST YR.....	3.79	0.56	1.42	-2.25	1.48	4.38	5.78	5.02	4.90	4.30	4.53	3.02	2.30	4.68		

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
 TABLE 1: SELECTED U.S. AND TENNESSEE ECONOMIC INDICATORS

	FORECAST - DATA									
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
US GNP (BIL82\$).....	4159.9	4182.0	4297.6	4419.8	4548.8	4673.2	4779.9	4897.0	5029.5	5161.3
PERCENTAGE CHANGE.....	1.02	0.53	2.77	2.84	2.92	2.74	2.28	2.45	2.71	2.62
TN GSP (MIL82\$).....	74009.8	74509.4	76843.4	79741.0	82292.6	84990.1	88030.7	91137.7	94344.3	97834.0
PERCENTAGE CHANGE.....	0.76	0.68	3.13	3.77	3.20	3.28	3.58	3.53	3.52	3.70
US GNP (BIL\$).....	5601.5	5999.5	6460.2	6909.4	7404.3	7913.1	8458.3	9032.9	9660.6	10316.8
PERCENTAGE CHANGE.....	6.74	7.11	7.68	6.95	7.16	6.87	6.89	6.79	6.95	6.79
TN GSP (MIL\$).....	96046.4	100719.2	107999.7	116479.5	125226.4	135010.8	145752.9	157466.5	169772.9	183417.8
PERCENTAGE CHANGE.....	4.79	4.87	7.23	7.85	7.51	7.81	7.96	8.04	7.82	8.04
IMPLICIT DEFLATOR.GNP.....	131.6	137.5	142.8	148.6	155.2	162.1	169.4	176.9	184.6	192.7
PERCENTAGE CHANGE.....	4.20	4.50	3.85	4.06	4.43	4.47	4.51	4.41	4.35	4.38
IMPLICIT DEFLATOR.GSP.....	129.8	135.2	140.5	146.1	152.2	158.9	165.6	172.8	180.0	187.5
PERCENTAGE CHANGE.....	4.00	4.16	3.97	3.93	4.18	4.39	4.23	4.35	4.15	4.18
US PERS CONS DEFL (1982=100).....	136.5	143.6	149.3	155.8	163.3	171.0	179.0	187.3	196.0	205.1
PERCENTAGE CHANGE.....	5.09	5.22	4.01	4.35	4.80	4.71	4.68	4.65	4.63	4.63
TN PERSONAL INCOME (MIL\$).....	76296	80009	85625	91859	99008	106523	114553	123171	132484	142595
PERCENTAGE CHANGE.....	5.11	4.87	7.02	7.28	7.78	7.59	7.54	7.52	7.56	7.63
US PERSONAL INCOME (BIL\$).....	4646.0	4878.3	5214.3	5599.1	6021.8	6462.6	6921.2	7410.3	7930.1	8480.4
PERCENTAGE CHANGE.....	5.97	5.00	6.89	7.38	7.55	7.32	7.10	7.07	7.01	6.94
TN PERSONAL INCOME (MIL82\$).....	55911	55723	57337	58946	60623	62293	63992	65747	67588	69524
PERCENTAGE CHANGE.....	0.02	-0.34	2.90	2.81	2.85	2.76	2.73	2.74	2.90	2.87
US PERSONAL INCOME (BIL82\$).....	3404.7	3397.6	3491.7	3592.9	3687.1	3779.2	3866.3	3955.5	4045.6	4134.7
PERCENTAGE CHANGE.....	0.84	-0.21	2.77	2.90	2.62	2.50	2.30	2.31	2.28	2.20
TN NONAGRIC JOBS (THOUS).....	2176.1	2185.0	2229.9	2266.4	2311.6	2357.4	2404.2	2451.8	2503.5	2558.1
PERCENTAGE CHANGE.....	1.06	0.41	2.05	1.64	1.99	1.98	1.99	1.98	2.11	2.18
US NONAGRIC JOBS (MIL).....	110.4	110.4	111.9	114.1	116.3	118.3	120.1	122.0	123.9	125.8
PERCENTAGE CHANGE.....	1.84	0.02	1.37	1.89	1.98	1.72	1.49	1.60	1.58	1.47
TN UNEMPLOYMENT RATE (%).....	5.2	6.5	6.4	6.4	5.6	5.4	5.4	5.2	5.0	4.8
US UNEMPLOYMENT RATE (%).....	5.5	6.8	6.7	6.2	5.6	5.3	5.2	5.0	4.8	4.7
BANK PRIME INTEREST RATE (%).....	9.9	9.8	10.0	10.0	10.3	10.6	11.0	10.8	10.3	9.9
TN MFG JOBS (THOUS).....	521.2	515.3	526.0	529.5	534.0	535.1	536.1	535.4	536.2	536.9
PERCENTAGE CHANGE.....	-0.49	-1.12	2.07	0.66	0.86	0.20	0.18	-0.11	0.14	0.13

(CONTINUED ON NEXT PAGE)

TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 1: SELECTED U.S. AND TENNESSEE ECONOMIC INDICATORS (CONT.)

	F O R E C A S T - D A T A									
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
TN MFG AVG WEEKLY HOURS.....	39.0	39.5	39.6	40.5	41.1	41.2	41.1	41.1	41.1	41.1
PERCENTAGE CHANGE.....	-4.35	1.16	0.15	2.41	1.39	0.20	-0.10	0.02	-0.09	0.08
TN TAXABLE SALES (MIL\$).....	41615	42955	45365	48113	51393	54686	58106	61783	65819	70170
PERCENTAGE CHANGE.....	4.0	3.2	5.6	6.1	6.8	6.4	6.3	6.3	6.5	6.6
TN TAXABLE SALES (MIL82\$).....	30496	29917	30378	30874	31468	31980	32459	32979	33578	34212
PERCENTAGE CHANGE.....	-1.0	-1.9	1.5	1.6	1.9	1.6	1.5	1.6	1.8	1.9
TN MFG OUTPUT/EMPLOYEE (THOUS82\$)...	40.9	41.6	42.3	43.4	44.8	46.3	48.0	49.7	51.6	53.5
PERCENTAGE CHANGE.....	1.74	1.76	1.64	2.70	3.23	3.16	3.82	3.50	3.74	3.69
US MFG OUTPUT/EMPLOYEE (THOUS82\$)...	48.8	50.4	52.4	53.4	54.9	56.6	58.4	60.3	62.2	64.1
PERCENTAGE CHANGE.....	3.01	3.38	3.84	2.00	2.85	3.06	3.13	3.20	3.15	3.17
TN AVERAGE ANNUAL WAGE, NONAG (\$)....	20750	21686	22715	23830	25082	26453	27953	29557	31267	33083
PERCENTAGE CHANGE.....	3.05	4.51	4.74	4.91	5.25	5.46	5.67	5.74	5.79	5.81
TN AVERAGE ANNUAL WAGE, NONAG (82\$)...	15206	15104	15211	15292	15358	15469	15615	15777	15951	16130
PERCENTAGE CHANGE.....	-1.94	-0.67	0.71	0.53	0.43	0.72	0.94	1.04	1.10	1.12

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 2: SELECTED PER CAPITA U.S. AND TENNESSEE ECONOMIC INDICATORS

	FORECAST - DATA									
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
TN GSP (82 \$).....	14848	14816	15144	15577	15935	16329	16783	17241	17711	18226
PERCENTAGE CHANGE.....	-0.14	-0.22	2.22	2.86	2.30	2.47	2.78	2.73	2.73	2.91
TN GSP (\$).....	19269	20027	21285	22754	24248	25939	27787	29789	31872	34170
PERCENTAGE CHANGE.....	3.85	3.93	6.28	6.90	6.57	6.97	7.12	7.20	6.99	7.21
US GNP (82 \$).....	16525	16431	16717	17034	17389	17732	18006	18313	18671	19024
PERCENTAGE CHANGE.....	-0.04	-0.57	1.74	1.90	2.08	1.97	1.54	1.71	1.96	1.89
US GNP (\$).....	22251	23572	25129	26630	28306	30025	31862	33779	35864	38027
PERCENTAGE CHANGE.....	5.62	5.94	6.61	5.97	6.29	6.07	6.12	6.02	6.17	6.03
TN PERSONAL INCOME (82 \$).....	11217	11080	11300	11515	11739	11968	12200	12438	12688	12952
PERCENTAGE CHANGE.....	-0.87	-1.22	1.99	1.90	1.94	1.96	1.93	1.95	2.01	2.08
TN PERSONAL INCOME (\$).....	15307	15909	16875	17944	19171	20466	21839	23301	24871	26565
PERCENTAGE CHANGE.....	4.17	3.93	6.07	6.33	6.84	6.75	6.71	6.70	6.74	6.81
US PERSONAL INCOME (82 \$).....	13524	13349	13582	13848	14096	14340	14564	14792	15019	15241
PERCENTAGE CHANGE.....	-0.22	-1.30	1.75	1.95	1.79	1.73	1.56	1.56	1.53	1.48
US PERSONAL INCOME (\$).....	18455	19167	20283	21580	23021	24521	26072	27711	29439	31258
PERCENTAGE CHANGE.....	4.86	3.86	5.82	6.39	6.68	6.52	6.32	6.29	6.24	6.18
TN TAXABLE SALES (82 \$).....	6118	5949	5987	6031	6093	6144	6188	6239	6304	6374
PERCENTAGE CHANGE.....	-1.9	-2.8	0.6	0.7	1.0	0.8	0.7	0.8	1.0	1.1
TN TAXABLE SALES (\$).....	8349	8541	8941	9399	9951	10507	11078	11688	12356	13072
PERCENTAGE CHANGE.....	0.8	0.6	1.1	1.2	1.3	1.2	1.2	1.2	1.2	1.2

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 3: TENNESSEE PERSONAL INCOME BY COMPONENTS
MILLIONS OF 1982 DOLLARS

	FORECAST - DATA									
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
TOTAL PERSONAL INCOME.....	55911	55723	57337	58946	60623	62293	63992	65747	67588	69524
PERCENTAGE CHANGE.....	0.02	-0.34	2.90	2.81	2.85	2.76	2.73	2.74	2.80	2.87
WAGES AND SALARIES.....	33555	33471	34396	35145	35996	36970	38053	39202	40463	41803
PERCENTAGE CHANGE.....	-0.91	-0.25	2.76	2.18	2.42	2.70	2.93	3.02	3.22	3.31
OTHER LABOR INCOME.....	3289	3337	3468	3604	3750	3857	3962	4079	4215	4364
PERCENTAGE CHANGE.....	0.57	1.45	3.95	3.91	4.03	2.88	2.70	2.96	3.34	3.55
PROPRIETORS INCOME.....	5493	5446	5708	6077	6390	6566	6693	6895	7136	7383
PERCENTAGE CHANGE.....	1.89	-0.86	4.82	6.47	5.14	2.76	1.93	3.02	3.49	3.47
RENT INTEREST DIVIDENDS.....	7933	7853	8130	8423	8696	8936	9121	9226	9284	9334
PERCENTAGE CHANGE.....	0.11	-1.00	3.53	3.60	3.24	2.77	2.07	1.15	0.63	0.54
TRANSFER PAYMENTS.....	8996	9043	9171	9326	9515	9783	10088	10389	10672	10965
PERCENTAGE CHANGE.....	2.18	0.52	1.41	1.69	2.03	2.81	3.12	2.99	2.73	2.74
LESS: PERS CONT FOR SOC INS.....	2698	2757	2855	2937	3017	3099	3190	3296	3419	3547
PERCENTAGE CHANGE.....	0.66	2.19	3.54	2.87	2.73	2.73	2.95	3.31	3.74	3.75
RESIDENCE ADJUSTMENT.....	-657	-669	-682	-694	-707	-720	-734	-748	-763	-778
PERCENTAGE CHANGE.....	-2.14	1.89	2.00	1.64	1.89	1.86	1.98	1.91	1.95	2.05
PER CAPITA PERSONAL INCOME (\$).	11217	11080	11300	11515	11739	11968	12200	12438	12688	12952
PERCENTAGE CHANGE.....	-0.87	-1.22	1.99	1.90	1.94	1.96	1.93	1.95	2.01	2.08

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 4: TENNESSEE PERSONAL INCOME BY COMPONENTS
MILLIONS OF CURRENT DOLLARS

	FORECAST - DATA									
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
TOTAL PERSONAL INCOME	76296	80009	85625	91859	99008	106523	114553	123171	132484	142595
PERCENTAGE CHANGE	5.11	4.87	7.02	7.28	7.78	7.59	7.54	7.52	7.56	7.63
WAGES AND SALARIES	45788	48058	51366	54770	58788	63219	68120	73442	79315	85739
PERCENTAGE CHANGE	4.14	4.96	6.88	6.63	7.34	7.54	7.75	7.81	8.00	8.10
OTHER LABOR INCOME	4488	4791	5180	5617	6124	6596	7092	7641	8262	8952
PERCENTAGE CHANGE	5.69	6.74	8.12	8.44	9.03	7.72	7.51	7.75	8.12	8.35
PROPRIETORS INCOME	7496	7819	8525	9471	10436	11228	11981	12917	13987	15143
PERCENTAGE CHANGE	7.07	4.31	9.02	11.10	10.19	7.60	6.70	7.82	8.29	8.26
RENT INTEREST DIVIDENDS	10825	11276	12142	13127	14202	15282	16328	17284	18197	19144
PERCENTAGE CHANGE	5.21	4.16	7.68	8.11	8.19	7.60	6.85	5.85	5.29	5.20
TRANSFER PAYMENTS	12276	12985	13696	14533	15539	16728	18058	19463	20920	22489
PERCENTAGE CHANGE	7.38	5.77	5.48	6.11	6.93	7.65	7.95	7.78	7.48	7.50
LESS: PERS CONT FOR SOC INS	3682	3959	4263	4576	4927	5300	5711	6175	6702	7275
PERCENTAGE CHANGE	5.79	7.52	7.69	7.35	7.66	7.56	7.77	8.11	8.54	8.55
RESIDENCE ADJUSTMENT	-896	-961	-1019	-1081	-1154	-1231	-1314	-1401	-1495	-1596
PERCENTAGE CHANGE	2.84	7.20	6.09	6.07	6.78	6.65	6.76	6.66	6.67	6.78
PER CAPITA PERSONAL INCOME (\$)	15307	15909	16875	17944	19171	20466	21839	23301	24871	26565
PERCENTAGE CHANGE	4.17	3.93	6.07	6.33	6.84	6.75	6.71	6.70	6.74	6.81

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 5: TENNESSEE WAGE AND SALARY EMPLOYMENT BY SECTOR
THOUSANDS OF JOBS

	FORECAST - DATA									
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
TOTAL NONAGRICULTURAL.....	2176.1	2185.0	2229.9	2266.4	2311.6	2357.4	2404.2	2451.8	2503.5	2558.1
PERCENTAGE CHANGE.....	1.06	0.41	-2.05	1.64	1.99	1.98	1.99	1.98	2.11	2.18
MINING.....	6.3	6.0	5.7	5.4	5.1	4.9	4.7	4.6	4.5	4.4
PERCENTAGE CHANGE.....	0.45	-5.05	-5.65	-5.61	-5.05	-4.13	-3.19	-2.47	-2.01	-1.82
CONSTRUCTION.....	98.1	93.5	93.2	96.2	97.7	99.0	100.2	101.7	103.7	104.8
PERCENTAGE CHANGE.....	0.73	-4.65	-0.34	3.16	1.63	1.25	1.29	1.48	1.94	1.10
MANUFACTURING.....	521.2	515.3	526.0	529.5	534.0	535.1	536.1	535.4	536.2	536.9
PERCENTAGE CHANGE.....	-0.49	-1.12	2.07	0.66	0.86	0.20	0.18	-0.11	0.14	0.13
DURABLE GOODS.....	259.2	257.7	264.5	265.8	267.8	269.2	271.8	273.0	275.4	278.0
PERCENTAGE CHANGE.....	-0.81	-0.58	2.65	0.48	0.77	0.54	0.95	0.43	0.91	0.93
NONDURABLE GOODS.....	262.0	257.7	261.5	263.7	266.2	265.8	264.3	262.5	260.8	258.9
PERCENTAGE CHANGE.....	-0.17	-1.66	1.49	0.84	0.95	-0.14	-0.60	-0.67	-0.66	-0.73
TRADE.....	511.1	511.9	519.0	527.0	538.0	548.7	559.2	570.1	581.5	593.4
PERCENTAGE CHANGE.....	0.68	0.16	1.39	1.55	2.07	1.99	1.92	1.94	2.00	2.05
SERVICES.....	477.8	492.4	512.9	530.2	552.1	577.7	604.2	632.7	663.3	697.3
PERCENTAGE CHANGE.....	2.73	3.05	4.16	3.37	4.13	4.64	4.59	4.71	4.84	5.13
FIN,INS,REAL EST.....	103.4	104.5	105.5	105.7	107.1	110.0	112.8	115.2	116.8	118.4
PERCENTAGE CHANGE.....	-0.22	1.04	0.95	0.22	1.34	2.66	2.59	2.09	1.45	1.38
TRANS,COMM,PUB UTIL.....	115.8	116.2	119.2	122.6	125.8	128.2	130.6	133.2	135.7	138.3
PERCENTAGE CHANGE.....	0.55	0.37	2.62	2.86	2.61	1.91	1.85	1.97	1.93	1.87
GOVERNMENT.....	342.4	345.2	348.4	349.9	351.8	353.9	356.3	358.9	361.7	364.5
PERCENTAGE CHANGE.....	2.41	0.80	0.94	0.43	0.54	0.60	0.69	0.73	0.76	0.79
FEDERAL,CIVILIAN.....	66.0	66.8	68.1	69.5	70.9	72.4	73.9	75.4	77.0	78.6
PERCENTAGE CHANGE.....	5.20	1.12	2.04	2.04	2.05	2.06	2.05	2.05	2.06	2.07
STATE AND LOCAL.....	276.4	278.4	280.3	280.4	280.8	281.5	282.4	283.5	284.7	286.0
PERCENTAGE CHANGE.....	1.77	0.72	0.68	0.03	0.16	0.23	0.34	0.39	0.42	0.44
FARM.....	15.1	14.7	14.4	14.5	14.6	14.6	14.5	14.3	14.4	14.3
PERCENTAGE CHANGE.....	1.56	-2.61	-1.62	0.46	0.91	0.13	-0.95	-1.23	0.35	-0.39

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 6: TENNESSEE DURABLE GOODS MANUFACTURING EMPLOYMENT
THOUSANDS OF JOBS

	FORECAST - DATA									
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
TOTAL DURABLE GOODS.....	259.2	257.7	264.5	265.8	267.8	269.2	271.8	273.0	275.4	278.0
PERCENTAGE CHANGE.....	-0.81	-0.58	2.65	0.48	0.77	0.54	0.95	0.43	0.91	0.93
LUMBER AND WOOD.....	20.7	19.7	20.1	20.4	20.6	20.7	20.9	20.8	20.7	20.5
PERCENTAGE CHANGE.....	-1.83	-4.62	1.84	1.77	0.75	0.74	0.80	-0.60	-0.52	-0.65
FURNITURE AND FIXTURES.....	28.1	27.9	28.9	29.5	29.8	29.8	29.7	30.1	30.4	31.3
PERCENTAGE CHANGE.....	1.49	-0.65	3.73	2.01	1.09	-0.18	-0.32	1.51	0.78	3.16
STONE, CLAY AND GLASS.....	14.4	13.6	13.7	13.4	13.6	13.7	13.8	13.7	13.7	13.7
PERCENTAGE CHANGE.....	-1.88	-5.36	0.54	-2.30	1.54	0.85	0.32	-0.24	-0.03	-0.08
PRIMARY METALS.....	14.9	14.5	14.5	14.1	13.9	13.9	13.8	13.7	13.6	13.5
PERCENTAGE CHANGE.....	-5.05	-2.26	-0.18	-2.80	-1.58	-0.11	-0.45	-0.57	-0.69	-0.62
FABRICATED METALS.....	42.3	42.3	42.9	42.6	42.4	42.5	42.6	42.6	42.8	42.8
PERCENTAGE CHANGE.....	-1.26	-0.13	1.52	-0.71	-0.50	0.27	0.12	0.12	0.40	0.16
NONELECTRICAL MACHINERY.....	39.0	39.0	40.2	40.0	40.2	40.3	41.1	41.2	41.5	41.4
PERCENTAGE CHANGE.....	-2.25	-0.05	3.11	-0.48	0.31	0.39	2.06	0.10	0.83	-0.18
ELECTRICAL MACHINERY.....	38.4	37.9	38.8	38.5	38.2	37.5	36.7	35.8	35.4	34.9
PERCENTAGE CHANGE.....	-3.84	-1.40	2.51	-0.86	-0.64	-1.94	-2.02	-2.57	-0.97	-1.38
TRANSPORTATION EQUIPMENT.....	37.7	38.4	40.0	41.3	42.7	44.0	45.7	47.1	49.0	50.7
PERCENTAGE CHANGE.....	2.50	1.91	4.08	3.29	3.32	3.07	3.99	3.06	3.97	3.40
INSTRUMENTS.....	11.3	11.8	12.4	12.9	13.3	13.8	14.4	15.0	15.6	16.4
PERCENTAGE CHANGE.....	6.07	4.21	5.25	3.71	3.70	3.69	4.44	3.78	3.83	5.78
MISCELLANEOUS.....	12.4	12.6	13.0	13.1	13.1	13.1	13.1	12.9	12.8	12.6
PERCENTAGE CHANGE.....	2.66	1.26	3.07	0.82	0.56	-0.62	0.12	-1.09	-1.19	-1.73

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 7: TENNESSEE NONDURABLE GOODS MANUFACTURING EMPLOYMENT
THOUSANDS OF JOBS

	FORECAST - DATA									
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
TOTAL NONDURABLE GOODS.....	262.0	257.7	261.5	263.7	266.2	265.8	264.3	262.5	260.8	258.9
PERCENTAGE CHANGE.....	-0.17	-1.66	1.49	0.84	0.95	-0.14	-0.60	-0.67	-0.66	-0.73
FOOD.....	38.8	38.4	38.7	38.6	38.5	38.5	38.6	38.4	37.3	37.7
PERCENTAGE CHANGE.....	0.17	-1.02	0.63	-0.23	-0.27	-0.09	0.46	-0.70	-2.82	1.12
TOBACCO.....	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9
PERCENTAGE CHANGE.....	-8.66	-1.44	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TEXTILES.....	21.7	20.9	20.6	20.5	20.2	19.8	19.4	18.8	18.3	17.7
PERCENTAGE CHANGE.....	-3.39	-3.86	-1.28	-0.48	-1.23	-2.09	-2.30	-3.03	-2.61	-3.43
APPAREL.....	63.9	62.0	62.8	63.8	64.3	64.5	64.0	63.2	62.8	61.7
PERCENTAGE CHANGE.....	-1.76	-2.89	1.29	1.59	0.78	0.26	-0.79	-1.20	-0.60	-1.85
PAPER.....	21.7	21.3	21.9	22.4	22.8	23.0	23.2	23.6	23.9	23.9
PERCENTAGE CHANGE.....	3.08	-1.79	2.55	2.21	1.80	1.14	0.73	1.82	1.37	-0.05
PRINTING AND PUBLISHING.....	37.3	38.1	39.3	38.8	40.7	41.5	42.1	42.9	43.9	45.6
PERCENTAGE CHANGE.....	1.09	2.17	3.11	-1.13	4.94	1.74	1.55	1.93	2.21	3.86
CHEMICALS.....	39.9	38.7	38.5	38.3	37.6	36.5	35.0	33.6	32.1	30.6
PERCENTAGE CHANGE.....	1.66	-2.99	-0.62	-0.41	-1.83	-3.14	-4.04	-3.91	-4.36	-4.90
PETROLEUM REFINING.....	1.1	1.0	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1
PERCENTAGE CHANGE.....	11.13	-6.08	2.91	0.72	0.57	0.80	0.15	-0.78	-1.13	-1.05
RUBBER AND PLASTICS.....	27.1	26.7	27.9	28.9	29.3	29.2	29.1	29.1	29.6	29.3
PERCENTAGE CHANGE.....	-0.93	-1.43	4.33	3.55	1.38	-0.11	-0.39	0.03	1.74	-1.03
LEATHER.....	9.5	9.5	9.9	10.4	10.8	10.9	10.9	10.9	10.8	10.5
PERCENTAGE CHANGE.....	-0.85	-0.15	4.03	5.32	3.30	1.45	-0.18	-0.25	-0.65	-2.88

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
 TABLE 8: TENNESSEE AVERAGE HOURLY EARNINGS
 SELECTED DURABLE GOODS MANUFACTURING PRODUCTION WORKERS
 1982 DOLLARS

	FORECAST - DATA									
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
TOTAL DURABLE GOODS.....	7.30	7.32	7.43	7.50	7.55	7.66	7.80	7.93	8.05	8.17
PERCENTAGE CHANGE.....	±1.61	0.36	1.39	1.00	0.71	1.47	1.80	1.66	1.53	1.46
LUMBER AND WOOD.....	4.82	4.84	4.87	4.89	4.89	4.92	4.97	5.01	5.06	5.09
PERCENTAGE CHANGE.....	-0.94	0.48	0.62	0.38	-0.04	0.57	0.99	0.96	0.83	0.76
FURNITURE AND FIXTURES.....	6.17	6.22	6.30	6.36	6.39	6.47	6.57	6.68	6.77	6.87
PERCENTAGE CHANGE.....	0.83	0.80	1.29	0.93	0.50	1.18	1.62	1.61	1.46	1.38
STONE, CLAY AND GLASS.....	9.11	9.20	9.34	9.46	9.53	9.65	9.83	10.02	10.20	10.37
PERCENTAGE CHANGE.....	-7.49	1.04	1.54	1.23	0.76	1.30	1.84	1.94	1.79	1.69
PRIMARY METALS.....	9.14	10.27	10.38	10.48	10.56	10.68	10.84	11.00	11.13	11.27
PERCENTAGE CHANGE.....	1.57	12.32	1.09	1.02	0.69	1.15	1.50	1.45	1.25	1.21
FABRICATED METALS.....	7.57	7.55	7.64	7.70	7.73	7.80	7.92	8.03	8.13	8.22
PERCENTAGE CHANGE.....	-4.65	-0.31	1.13	0.80	0.37	1.01	1.45	1.40	1.25	1.18
MACHINERY.....	7.10	6.93	7.03	7.09	7.12	7.19	7.29	7.40	7.49	7.58
PERCENTAGE CHANGE.....	-0.83	-2.46	1.50	0.83	0.38	1.02	1.45	1.41	1.26	1.19
INSTRUMENTS.....	6.95	6.89	6.93	6.98	7.00	7.06	7.15	7.26	7.38	7.49
PERCENTAGE CHANGE.....	-7.78	-0.80	0.54	0.67	0.42	0.82	1.28	1.55	1.58	1.53

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 9: TENNESSEE AVERAGE HOURLY EARNINGS
SELECTED NONDURABLE GOODS MANUFACTURING PRODUCTION WORKERS
1982 DOLLARS

	FORECAST - DATA									
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
TOTAL NONDURABLE GOODS.....	6.75	6.77	6.84	6.90	6.92	6.98	7.05	7.14	7.24	7.33
PERCENTAGE CHANGE.....	-0.22	0.16	1.12	0.82	0.40	0.73	1.09	1.29	1.32	1.29
FOOD.....	6.48	6.47	6.52	6.55	6.56	6.58	6.62	6.68	6.74	6.80
PERCENTAGE CHANGE.....	-2.46	-0.14	0.76	0.53	0.10	0.33	0.64	0.86	0.91	0.87
TEXTILES.....	5.71	5.73	5.77	5.79	5.79	5.82	5.86	5.93	6.00	6.07
PERCENTAGE CHANGE.....	-0.81	0.33	0.59	0.41	0.07	0.40	0.81	1.09	1.19	1.19
APPAREL.....	4.48	4.41	4.42	4.43	4.41	4.41	4.42	4.44	4.46	4.48
PERCENTAGE CHANGE.....	0.19	-1.54	0.41	0.10	-0.32	-0.08	0.23	0.44	0.50	0.48
PAPER.....	8.84	8.90	9.02	9.11	9.17	9.26	9.38	9.52	9.67	9.83
PERCENTAGE CHANGE.....	-1.34	0.65	1.38	1.07	0.64	0.91	1.29	1.55	1.62	1.59
CHEMICALS.....	8.86	9.00	9.09	9.17	9.21	9.27	9.38	9.51	9.65	9.79
PERCENTAGE CHANGE.....	-2.83	1.53	1.05	0.81	0.43	0.73	1.12	1.40	1.48	1.47
RUBBER.....	8.23	8.16	8.26	8.32	8.34	8.39	8.46	8.56	8.66	8.76
PERCENTAGE CHANGE.....	-0.32	-0.79	1.18	0.75	0.27	0.53	0.88	1.12	1.19	1.17
LEATHER.....	4.93	4.90	4.93	4.95	4.94	4.95	4.96	4.99	5.02	5.05
PERCENTAGE CHANGE.....	-0.26	-0.69	0.73	0.35	-0.14	0.07	0.36	0.56	0.61	0.58

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
 TABLE 10: TENNESSEE AVERAGE HOURLY EARNINGS
 SELECTED DURABLE GOODS MANUFACTURING PRODUCTION WORKERS
 CURRENT DOLLARS

	FORECAST - DATA									
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
TOTAL DURABLE GOODS.....	9.96	10.52	11.09	11.69	12.34	13.11	13.97	14.86	15.78	16.76
PERCENTAGE CHANGE.....	3.40	5.60	5.46	5.40	5.54	6.25	6.56	6.39	6.23	6.16
LUMBER AND WOOD.....	6.58	6.96	7.28	7.62	7.99	8.41	8.89	9.39	9.91	10.45
PERCENTAGE CHANGE.....	4.10	5.72	4.65	4.75	4.76	5.31	5.72	5.65	5.49	5.43
FURNITURE AND FIXTURES.....	8.42	8.93	9.41	9.91	10.44	11.06	11.76	12.51	13.28	14.08
PERCENTAGE CHANGE.....	5.96	6.07	5.35	5.33	5.32	5.95	6.38	6.33	6.16	6.07
STONE, CLAY AND GLASS.....	12.43	13.21	13.95	14.74	15.57	16.51	17.60	18.78	20.00	21.28
PERCENTAGE CHANGE.....	-2.78	6.31	5.61	5.63	5.60	6.07	6.61	6.68	6.50	6.40
PRIMARY METALS.....	12.47	14.74	15.50	16.34	17.24	18.26	19.40	20.60	21.82	23.11
PERCENTAGE CHANGE.....	6.74	18.18	5.14	5.42	5.52	5.91	6.26	6.17	5.94	5.90
FABRICATED METALS.....	10.34	10.84	11.40	12.00	12.62	13.35	14.17	15.04	15.93	16.87
PERCENTAGE CHANGE.....	0.20	4.90	5.18	5.19	5.19	5.76	6.20	6.12	5.94	5.87
MACHINERY.....	9.69	9.95	10.50	11.05	11.62	12.29	13.06	13.86	14.68	15.54
PERCENTAGE CHANGE.....	4.22	2.63	5.56	5.22	5.19	5.77	6.21	6.13	5.95	5.88
INSTRUMENTS.....	9.48	9.90	10.35	10.87	11.44	12.08	12.80	13.61	14.46	15.36
PERCENTAGE CHANGE.....	-3.08	4.37	4.57	5.05	5.24	5.56	6.02	6.27	6.29	6.24

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
 TABLE 11: TENNESSEE AVERAGE HOURLY EARNINGS
 SELECTED NONDURABLE GOODS MANUFACTURING PRODUCTION WORKERS
 CURRENT DOLLARS

	FORECAST - DATA									
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
TOTAL NONDURABLE GOODS.....	9.22	9.71	10.22	10.75	11.31	11.93	12.62	13.38	14.18	15.03
PERCENTAGE CHANGE.....	4.86	5.38	5.17	5.21	5.22	5.47	5.82	6.00	6.02	5.99
FOOD.....	8.84	9.29	9.73	10.21	10.71	11.25	11.85	12.51	13.21	13.94
PERCENTAGE CHANGE.....	2.50	5.07	4.80	4.91	4.90	5.05	5.35	5.55	5.58	5.55
TEXTILES.....	7.80	8.23	8.61	9.02	9.46	9.95	10.50	11.10	11.76	12.45
PERCENTAGE CHANGE.....	4.24	5.57	4.62	4.78	4.87	5.13	5.53	5.80	5.88	5.88
APPAREL.....	6.11	6.33	6.61	6.90	7.21	7.54	7.91	8.32	8.75	9.20
PERCENTAGE CHANGE.....	5.29	3.60	4.43	4.46	4.46	4.62	4.92	5.12	5.16	5.14
PAPER.....	12.06	12.77	13.47	14.20	14.98	15.83	16.78	17.84	18.96	20.16
PERCENTAGE CHANGE.....	3.68	5.90	5.44	5.47	5.47	5.66	6.03	6.27	6.32	6.30
CHEMICALS.....	12.09	12.92	13.58	14.29	15.04	15.86	16.79	17.81	18.91	20.08
PERCENTAGE CHANGE.....	2.12	6.83	5.10	5.20	5.25	5.47	5.86	6.12	6.18	6.17
RUBBER.....	11.23	11.72	12.33	12.97	13.63	14.34	15.15	16.03	16.97	17.97
PERCENTAGE CHANGE.....	4.76	4.39	5.23	5.14	5.08	5.26	5.60	5.83	5.88	5.86
LEATHER.....	6.73	7.03	7.37	7.71	8.07	8.46	8.88	9.35	9.84	10.36
PERCENTAGE CHANGE.....	4.82	4.49	4.77	4.71	4.66	4.78	5.06	5.24	5.27	5.24

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 12: TENNESSEE PERSON-HOURS PER WEEK
SELECTED DURABLE GOODS MANUFACTURING
THOUSANDS

	FORECAST - DATA									
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
TOTAL DURABLE GOODS.....	9961	10126	10371	10892	11253	11331	11399	11405	11479	11567
PERCENTAGE CHANGE.....	-7.51	1.66	2.42	5.02	3.31	0.70	0.60	0.05	0.65	0.76
LUMBER AND WOOD.....	798	750	773	807	832	840	844	837	832	825
PERCENTAGE CHANGE.....	-4.97	-5.98	3.00	4.40	3.16	0.94	0.54	-0.90	-0.62	-0.83
FURNITURE AND FIXTURES.....	1005	1036	1087	1142	1197	1201	1190	1204	1211	1246
PERCENTAGE CHANGE.....	-5.03	3.07	4.96	5.03	4.81	0.32	-0.85	1.15	0.55	2.87
STONE, CLAY AND GLASS.....	616	574	574	577	607	616	616	612	610	608
PERCENTAGE CHANGE.....	-4.38	-6.80	0.00	0.57	5.28	1.40	0.05	-0.63	-0.33	-0.29
PRIMARY METALS.....	628	597	599	587	583	585	583	580	576	573
PERCENTAGE CHANGE.....	-5.83	-4.92	0.41	-2.09	-0.60	0.25	-0.31	-0.40	-0.68	-0.64
FABRICATED METALS.....	1701	1685	1699	1725	1763	1774	1772	1768	1773	1774
PERCENTAGE CHANGE.....	-3.65	-0.95	0.84	1.53	2.18	0.64	-0.13	-0.20	0.28	0.04
MACHINERY.....	2978	2972	3086	3177	3307	3303	3296	3243	3232	3201
PERCENTAGE CHANGE.....	-10.07	-0.22	3.86	2.95	4.08	-0.10	-0.23	-1.61	-0.35	-0.96
INSTRUMENTS.....	470	479	504	522	542	560	584	604	627	664
PERCENTAGE CHANGE.....	6.19	2.01	5.11	3.69	3.79	3.41	4.16	3.55	3.77	5.83

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 13: TENNESSEE PERSON-HOURS PER WEEK
SELECTED NONDURABLE GOODS MANUFACTURING
THOUSANDS

FORECAST - DATA										
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
TOTAL NONDURABLE GOODS.....	10386	10228	10434	10557	10681	10690	10640	10612	10550	10507
PERCENTAGE CHANGE.....	-2.09	-1.53	2.02	1.18	1.17	0.08	-0.47	-0.26	-0.58	-0.41
FOOD.....	1590	1564	1560	1551	1546	1544	1550	1540	1496	1513
PERCENTAGE CHANGE.....	0.85	-1.66	-0.28	-0.54	-0.37	-0.13	0.44	-0.70	-2.82	1.12
TEXTILES.....	885	841	832	831	822	805	787	766	747	722
PERCENTAGE CHANGE.....	-5.45	-4.97	-0.97	-0.12	-1.15	-2.02	-2.22	-2.74	-2.48	-3.35
APPAREL.....	2307	2251	2289	2335	2359	2368	2353	2332	2323	2285
PERCENTAGE CHANGE.....	-5.54	-2.40	1.66	2.03	1.00	0.38	-0.62	-0.89	-0.39	-1.65
PAPER.....	939	907	936	962	983	996	1006	1028	1044	1047
PERCENTAGE CHANGE.....	-2.92	-3.47	3.27	2.77	2.17	1.34	0.93	2.21	1.57	0.24
CHEMICALS.....	1664	1591	1580	1576	1549	1501	1442	1387	1328	1264
PERCENTAGE CHANGE.....	1.06	-4.41	-0.67	-0.28	-1.72	-3.07	-3.98	-3.77	-4.29	-4.80
RUBBER.....	1134	1118	1166	1209	1226	1225	1222	1225	1247	1235
PERCENTAGE CHANGE.....	-1.00	-1.40	4.30	3.66	1.47	-0.09	-0.27	0.22	1.82	-0.94
LEATHER.....	351	366	381	404	419	426	426	427	425	415
PERCENTAGE CHANGE.....	-7.13	4.03	4.33	5.88	3.71	1.69	0.05	0.23	-0.40	-2.53

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 14: TENNESSEE AVERAGE WEEKLY HOURS
SELECTED DURABLE GOODS MANUFACTURING PRODUCTION WORKERS

	FORECAST - DATA									
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
TOTAL DURABLE GOODS.....	38.4	39.3	39.2	41.0	42.0	42.1	41.9	41.8	41.7	41.6
PERCENTAGE CHANGE.....	-6.75	2.25	-0.22	4.50	2.54	0.16	-0.35	-0.38	-0.26	-0.17
LUMBER AND WOOD.....	38.6	38.0	38.5	39.5	40.4	40.5	40.4	40.3	40.2	40.1
PERCENTAGE CHANGE.....	-3.21	-1.40	1.13	2.57	2.40	0.20	-0.26	-0.30	-0.10	-0.18
FURNITURE AND FIXTURES.....	35.8	37.1	37.6	38.7	40.1	40.3	40.1	39.9	39.9	39.7
PERCENTAGE CHANGE.....	-6.48	3.76	1.18	2.95	3.70	0.51	-0.54	-0.36	-0.22	-0.28
STONE,CLAY AND GLASS.....	42.7	42.1	41.9	43.1	44.7	44.9	44.8	44.6	44.5	44.4
PERCENTAGE CHANGE.....	-2.56	-1.51	-0.54	2.93	3.69	0.55	-0.28	-0.39	-0.30	-0.20
PRIMARY METALS.....	42.2	41.0	41.3	41.6	42.0	42.2	42.2	42.3	42.3	42.3
PERCENTAGE CHANGE.....	-0.78	-2.73	0.59	0.73	1.00	0.35	0.14	0.17	0.01	-0.02
FABRICATED METALS.....	40.2	39.9	39.6	40.5	41.6	41.7	41.6	41.5	41.5	41.4
PERCENTAGE CHANGE.....	-2.43	-0.82	-0.67	2.24	2.69	0.36	-0.24	-0.32	-0.12	-0.13
MACHINERY.....	38.5	38.7	39.1	40.5	42.2	42.5	42.3	42.1	42.0	41.9
PERCENTAGE CHANGE.....	-7.26	0.53	1.02	3.60	4.27	0.66	-0.32	-0.46	-0.34	-0.23
INSTRUMENTS.....	41.6	40.7	40.6	40.6	40.7	40.6	40.4	40.4	40.3	40.4
PERCENTAGE CHANGE.....	0.12	-2.12	-0.13	-0.02	0.09	-0.27	-0.27	-0.22	-0.06	0.04

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 15: TENNESSEE AVERAGE WEEKLY HOURS
SELECTED NONDURABLE GOODS MANUFACTURING PRODUCTION WORKERS

	F O R E C A S T - D A T A									
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
TOTAL NONDURABLE GOODS.....	39.6	39.7	39.9	40.0	40.1	40.2	40.3	40.4	40.5	40.6
PERCENTAGE CHANGE.....	-1.92	0.13	0.52	0.33	0.22	0.22	0.13	0.42	0.07	0.32
FOOD.....	41.0	40.7	40.3	40.2	40.2	40.1	40.1	40.1	40.1	40.1
PERCENTAGE CHANGE.....	0.68	-0.64	-0.90	-0.30	-0.10	-0.03	-0.01	0.00	0.00	0.00
TEXTILES.....	40.8	40.3	40.4	40.6	40.6	40.6	40.7	40.8	40.8	40.9
PERCENTAGE CHANGE.....	-2.11	-1.16	0.32	0.36	0.09	0.07	0.08	0.30	0.14	0.08
APPAREL.....	36.1	36.3	36.4	36.6	36.7	36.7	36.8	36.9	37.0	37.0
PERCENTAGE CHANGE.....	-3.85	0.50	0.37	0.44	0.22	0.12	0.16	0.31	0.22	0.20
PAPER.....	43.2	42.5	42.8	43.0	43.2	43.3	43.4	43.5	43.6	43.7
PERCENTAGE CHANGE.....	-5.84	-1.68	0.70	0.55	0.36	0.20	0.19	0.39	0.20	0.29
CHEMICALS.....	41.7	41.1	41.1	41.1	41.2	41.2	41.2	41.3	41.3	41.3
PERCENTAGE CHANGE.....	-0.60	-1.46	-0.05	0.13	0.11	0.07	0.07	0.14	0.08	0.11
RUBBER.....	41.8	41.8	41.8	41.9	41.9	41.9	42.0	42.1	42.1	42.1
PERCENTAGE CHANGE.....	-0.07	0.01	-0.03	0.10	0.10	0.02	0.13	0.19	0.08	0.09
LEATHER.....	36.9	38.5	38.6	38.8	38.9	39.0	39.1	39.3	39.4	39.5
PERCENTAGE CHANGE.....	-6.34	4.16	0.28	0.54	0.40	0.23	0.23	0.48	0.25	0.36

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 16: TENNESSEE AVERAGE WEEKLY EARNINGS
SELECTED DURABLE GOODS MANUFACTURING PRODUCTION WORKERS
1982 DOLLARS

	F O R E C A S T - D A T A									
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
TOTAL DURABLE GOODS.....	280.5	287.8	291.2	307.4	317.4	322.6	327.2	331.4	335.6	339.9
PERCENTAGE CHANGE.....	-8.25	2.62	1.17	5.57	3.25	1.63	1.44	1.27	1.26	1.29
LUMBER AND WOOD.....	185.9	184.3	187.5	193.1	197.6	199.1	200.6	201.9	203.4	204.5
PERCENTAGE CHANGE.....	-4.13	-0.91	1.76	2.97	2.35	0.77	0.73	0.65	0.73	0.58
FURNITURE AND FIXTURES.....	220.8	230.9	236.6	245.9	256.3	260.6	263.4	266.7	270.0	272.9
PERCENTAGE CHANGE.....	-5.63	4.56	2.47	3.94	4.20	1.69	1.07	1.24	1.24	1.09
STONE, CLAY AND GLASS.....	389.3	387.3	391.1	407.6	425.8	433.7	440.5	447.3	453.9	460.6
PERCENTAGE CHANGE.....	-9.84	-0.50	0.98	4.22	4.46	1.85	1.56	1.54	1.48	1.48
PRIMARY METALS.....	385.3	421.4	428.5	436.0	443.4	450.1	457.5	464.9	470.8	476.4
PERCENTAGE CHANGE.....	0.71	9.34	1.69	1.76	1.69	1.50	1.65	1.62	1.26	1.19
FABRICATED METALS.....	304.5	301.1	302.5	311.8	321.3	325.8	329.7	333.2	337.0	340.5
PERCENTAGE CHANGE.....	-6.96	-1.13	0.45	3.08	3.06	1.37	1.20	1.08	1.14	1.05
MACHINERY.....	273.3	267.9	274.6	286.9	300.3	305.3	308.7	311.7	314.5	317.5
PERCENTAGE CHANGE.....	-7.99	-1.97	2.51	4.49	4.64	1.67	1.13	0.95	0.92	0.96
INSTRUMENTS.....	288.7	280.4	281.6	283.4	284.9	286.4	289.3	293.1	297.6	302.3
PERCENTAGE CHANGE.....	-7.70	-2.86	0.40	0.65	0.51	0.55	1.00	1.32	1.52	1.58

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 17: TENNESSEE AVERAGE WEEKLY EARNINGS
SELECTED NONDURABLE GOODS MANUFACTURING PRODUCTION WORKERS
1982 DOLLARS

	F O R E C A S T - D A T A									
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
TOTAL NONDURABLE GOODS.....	267.8	268.6	273.0	276.1	277.8	280.5	283.9	288.8	292.8	297.5
PERCENTAGE CHANGE.....	-2.12	0.27	1.65	1.15	0.61	0.95	1.22	1.72	1.40	1.62
FOOD.....	265.3	263.1	262.8	263.4	263.3	264.1	265.8	268.0	270.5	272.8
PERCENTAGE CHANGE.....	-1.78	-0.80	-0.14	0.23	-0.01	0.29	0.63	0.85	0.91	0.87
TEXTILES.....	232.9	230.9	233.0	234.8	235.2	236.3	238.4	241.7	244.9	248.0
PERCENTAGE CHANGE.....	-2.89	-0.84	0.91	0.77	0.16	0.47	0.89	1.40	1.33	1.27
APPAREL.....	161.6	159.9	161.2	162.1	161.9	161.9	162.6	163.8	165.0	166.1
PERCENTAGE CHANGE.....	-3.64	-1.05	0.78	0.54	-0.11	0.04	0.39	0.75	0.72	0.69
PAPER.....	381.9	378.0	385.9	392.2	396.1	400.5	406.5	414.3	421.9	429.9
PERCENTAGE CHANGE.....	-7.12	-1.02	2.08	1.63	1.00	1.12	1.48	1.94	1.82	1.89
CHEMICALS.....	369.4	369.6	373.3	376.8	378.9	381.9	386.5	392.4	398.6	404.8
PERCENTAGE CHANGE.....	-3.44	0.07	1.00	0.94	0.54	0.80	1.20	1.55	1.56	1.58
RUBBER.....	344.3	341.6	345.5	348.5	349.7	351.7	355.2	359.8	364.4	369.0
PERCENTAGE CHANGE.....	-0.37	-0.79	1.14	0.86	0.37	0.55	1.00	1.31	1.27	1.27
LEATHER.....	182.1	188.3	190.2	191.9	192.4	192.9	194.1	196.1	197.8	199.7
PERCENTAGE CHANGE.....	-6.55	3.42	1.02	0.88	0.26	0.30	0.59	1.04	0.86	0.95

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
 TABLE 18: TENNESSEE AVERAGE WEEKLY EARNINGS
 SELECTED DURABLE GOODS MANUFACTURING PRODUCTION WORKERS
 CURRENT DOLLARS

	FORECAST - DATA									
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
TOTAL DURABLE GOODS.....	382.7	413.3	434.8	479.0	518.3	551.6	585.7	620.8	657.8	697.1
PERCENTAGE CHANGE.....	-3.58	7.98	5.22	10.16	8.20	6.42	6.19	5.99	5.95	5.99
LUMBER AND WOOD.....	253.7	264.6	280.0	300.9	322.7	340.5	359.1	378.2	398.6	419.5
PERCENTAGE CHANGE.....	0.75	4.26	5.83	7.45	7.27	5.51	5.45	5.33	5.39	5.24
FURNITURE AND FIXTURES.....	301.4	331.5	353.4	383.3	418.5	445.6	471.5	499.6	529.2	559.7
PERCENTAGE CHANGE.....	-0.82	10.02	6.58	8.46	9.20	6.48	5.80	5.96	5.92	5.78
STONE, CLAY AND GLASS.....	531.2	556.1	584.1	635.3	695.5	741.7	788.5	837.9	889.7	944.7
PERCENTAGE CHANGE.....	-5.25	4.69	5.03	8.76	9.48	6.65	6.32	6.26	6.18	6.18
PRIMARY METALS.....	525.8	605.0	639.9	679.5	724.2	769.7	819.0	871.0	922.8	977.1
PERCENTAGE CHANGE.....	5.83	15.05	5.77	6.19	6.57	6.28	6.41	6.35	5.95	5.88
FABRICATED METALS.....	415.6	432.3	451.7	485.9	524.8	557.1	590.1	624.2	660.6	698.5
PERCENTAGE CHANGE.....	-2.22	4.04	4.48	7.57	8.01	6.14	5.94	5.78	5.82	5.74
MACHINERY.....	372.9	384.6	410.1	447.2	490.4	522.0	552.7	583.9	616.5	651.3
PERCENTAGE CHANGE.....	-3.31	3.14	6.62	9.04	9.66	6.46	5.87	5.65	5.59	5.64
INSTRUMENTS.....	394.0	402.7	420.5	441.7	465.2	489.8	517.9	549.2	583.3	620.0
PERCENTAGE CHANGE.....	-3.01	2.21	4.43	5.04	5.34	5.28	5.73	6.04	6.22	6.28

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 19: TENNESSEE AVERAGE WEEKLY EARNINGS
SELECTED NONDURABLE GOODS MANUFACTURING PRODUCTION WORKERS
CURRENT DOLLARS

	FORECAST - DATA									
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
TOTAL NONDURABLE GOODS.....	365.5	385.6	407.7	430.3	453.7	479.6	508.2	541.0	573.9	610.3
PERCENTAGE CHANGE.....	2.87	5.51	5.72	5.56	5.44	5.70	5.96	6.45	6.09	6.33
FOOD.....	362.0	377.8	392.4	410.4	430.1	451.6	475.8	502.2	530.2	559.6
PERCENTAGE CHANGE.....	3.22	4.38	3.86	4.59	4.79	5.01	5.34	5.55	5.58	5.55
TEXTILES.....	317.8	331.5	347.9	365.9	384.1	404.0	426.7	452.8	480.0	508.7
PERCENTAGE CHANGE.....	2.05	4.33	4.95	5.16	4.97	5.19	5.61	6.11	6.02	5.96
APPAREL.....	220.6	229.7	240.7	252.6	264.4	276.9	291.0	306.9	323.4	340.7
PERCENTAGE CHANGE.....	1.27	4.12	4.82	4.92	4.69	4.74	5.09	5.44	5.38	5.35
PAPER.....	521.2	542.8	576.3	611.2	646.9	684.9	727.6	776.2	827.0	881.7
PERCENTAGE CHANGE.....	-2.39	4.15	6.17	6.05	5.85	5.87	6.24	6.69	6.54	6.61
CHEMICALS.....	504.0	530.7	557.5	587.3	618.8	653.1	691.8	735.2	781.2	830.3
PERCENTAGE CHANGE.....	1.48	5.29	5.05	5.34	5.37	5.54	5.93	6.27	6.26	6.28
RUBBER.....	469.8	490.5	515.9	543.0	571.2	601.3	635.8	674.1	714.3	756.9
PERCENTAGE CHANGE.....	4.70	4.39	5.19	5.25	5.18	5.28	5.73	6.03	5.96	5.96
LEATHER.....	248.4	270.3	284.0	299.0	314.2	329.9	347.4	367.4	387.7	409.5
PERCENTAGE CHANGE.....	-1.79	8.81	5.07	5.27	5.07	5.02	5.30	5.74	5.53	5.62

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 20: TENNESSEE AVERAGE ANNUAL WAGE AND SALARY RATE BY SECTOR
1982 DOLLARS

	F O R E C A S T - D A T A									
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
TOTAL NONAGRICULTURAL.....	15206	15104	15211	15292	15358	15469	15615	15777	15951	16130
PERCENTAGE CHANGE.....	-1.94	-0.67	0.71	0.53	0.43	0.72	0.94	1.04	1.10	1.12
MINING.....	20827	20534	20905	21227	21499	21957	22503	23028	23532	24030
PERCENTAGE CHANGE.....	-0.84	-1.41	1.81	1.54	1.28	2.13	2.49	2.33	2.19	2.12
CONSTRUCTION.....	15873	16173	16465	16611	16677	16785	16928	17093	17280	17478
PERCENTAGE CHANGE.....	-5.46	1.89	1.80	0.89	0.40	0.65	0.86	0.97	1.09	1.15
MANUFACTURING.....	16930	16778	16857	17047	17301	17586	17886	18201	18500	18799
PERCENTAGE CHANGE.....	-1.60	-0.90	0.47	1.13	1.49	1.64	1.71	1.76	1.64	1.62
DURABLE GOODS.....	17545	16981	16854	17008	17369	17717	18018	18283	18521	18744
PERCENTAGE CHANGE.....	-2.09	-3.22	-0.75	0.91	2.13	2.00	1.70	1.47	1.30	1.21
NONDURABLE GOODS.....	16323	16576	16860	17087	17233	17452	17749	18116	18477	18858
PERCENTAGE CHANGE.....	-1.04	1.55	1.71	1.35	0.86	1.27	1.70	2.06	2.00	2.06
TRADE.....	11855	11785	11851	11861	11840	11858	11902	11955	12023	12097
PERCENTAGE CHANGE.....	0.60	-0.60	0.56	0.08	-0.18	0.15	0.37	0.44	0.58	0.61
SERVICES.....	14491	14313	14467	14568	14641	14770	14934	15113	15314	15523
PERCENTAGE CHANGE.....	-2.35	-1.23	1.08	0.70	0.50	0.88	1.12	1.19	1.33	1.36
FIN,INS,REAL EST.....	17903	17857	18090	18256	18389	18591	18841	19109	19408	19717
PERCENTAGE CHANGE.....	-1.46	-0.26	1.30	0.92	0.72	1.10	1.34	1.42	1.56	1.60
TRANS,COMM,PUB UTIL.....	20079	20063	20124	20097	19989	19926	19984	20210	20567	20964
PERCENTAGE CHANGE.....	-3.47	-0.08	0.30	-0.13	-0.54	-0.32	0.29	1.13	1.77	1.93
GOVERNMENT.....	15823	15767	15843	15866	15878	15968	16099	16223	16332	16443
PERCENTAGE CHANGE.....	-2.95	-0.35	0.48	0.14	0.08	0.56	0.82	0.77	0.67	0.68
FEDERAL,CIVILIAN.....	21661	21221	20902	20583	20500	20740	21162	21528	21825	22145
PERCENTAGE CHANGE.....	-4.98	-2.03	-1.51	-1.52	-0.41	1.17	2.03	1.73	1.38	1.47
STATE AND LOCAL.....	14429	14459	14613	14696	14710	14740	14774	14812	14847	14877
PERCENTAGE CHANGE.....	-2.54	0.21	1.06	0.57	0.10	0.20	0.23	0.26	0.24	0.20
AGRICULTURE.....	5532	5672	5796	5787	5740	5745	5800	5867	5877	5915
PERCENTAGE CHANGE.....	-2.07	2.52	2.19	-0.16	-0.81	0.09	0.96	1.15	0.17	0.64

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 21: TENNESSEE AVERAGE ANNUAL WAGE AND SALARY RATE BY SECTOR
CURRENT DOLLARS

	FORECAST - DATA									
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
TOTAL NONAGRICULTURAL.....	20750	21686	22715	23830	25082	26453	27953	29557	31267	33083
PERCENTAGE CHANGE.....	3.05	4.51	4.74	4.91	5.25	5.46	5.67	5.74	5.79	5.81
MINING.....	28421	29483	31218	33079	35112	37547	40284	43141	46126	49285
PERCENTAGE CHANGE.....	4.21	3.74	5.89	5.96	6.15	6.93	7.29	7.09	6.92	6.85
CONSTRUCTION.....	21659	23222	24588	25886	27237	28702	30304	32022	33871	35846
PERCENTAGE CHANGE.....	-0.65	7.21	5.88	5.28	5.22	5.38	5.58	5.67	5.78	5.83
MANUFACTURING.....	23103	24091	25173	26566	28256	30072	32018	34098	36262	38557
PERCENTAGE CHANGE.....	3.41	4.28	4.49	5.53	6.36	6.43	6.47	6.50	6.35	6.33
DURABLE GOODS.....	23942	24382	25169	26504	28367	30297	32255	34251	36304	38445
PERCENTAGE CHANGE.....	2.90	1.84	3.23	5.30	7.03	6.80	6.46	6.19	5.99	5.90
NONDURABLE GOODS.....	22274	23800	25178	26627	28144	29844	31774	33938	36219	38678
PERCENTAGE CHANGE.....	3.99	6.85	5.79	5.76	5.70	6.04	6.47	6.81	6.72	6.79
TRADE.....	16178	16921	17698	18484	19337	20278	21305	22396	23568	24810
PERCENTAGE CHANGE.....	5.72	4.59	4.59	4.44	4.62	4.87	5.07	5.12	5.23	5.27
SERVICES.....	19774	20551	21605	22702	23912	25257	26735	28313	30018	31838
PERCENTAGE CHANGE.....	2.62	3.93	5.13	5.08	5.33	5.62	5.85	5.90	6.03	6.06
FIN,INS,REAL EST.....	24431	25640	27014	28450	30032	31792	33728	35799	38043	40440
PERCENTAGE CHANGE.....	3.55	4.95	5.36	5.32	5.56	5.86	6.09	6.14	6.27	6.30
TRANS,COMM,PUB UTIL.....	27400	28808	30053	31319	32646	34074	35773	37862	40315	42998
PERCENTAGE CHANGE.....	1.45	5.14	4.32	4.21	4.24	4.37	4.99	5.84	6.48	6.65
GOVERNMENT.....	21592	22639	23659	24725	25931	27305	28819	30393	32014	33725
PERCENTAGE CHANGE.....	1.99	4.85	4.51	4.50	4.88	5.30	5.54	5.46	5.33	5.35
FEDERAL,CIVILIAN.....	29558	30470	31214	32077	33480	35466	37882	40332	42781	45420
PERCENTAGE CHANGE.....	-0.14	3.08	2.44	2.77	4.37	5.93	6.81	6.47	6.07	6.17
STATE AND LOCAL.....	19690	20761	21823	22902	24024	25206	26448	27749	29103	30513
PERCENTAGE CHANGE.....	2.42	5.44	5.11	4.94	4.90	4.92	4.93	4.92	4.88	4.84
AGRICULTURE.....	7549	8144	8655	9018	9374	9824	10383	10992	11520	12131
PERCENTAGE CHANGE.....	2.92	7.87	6.29	4.19	3.95	4.80	5.69	5.86	4.81	5.31

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 22: TENNESSEE CIVILIAN LABOR FORCE AND UNEMPLOYMENT RATE

	F O R E C A S T - D A T A									
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
CIVILIAN LABOR FORCE (THOUS).....	2401	2420	2438	2514	2518	2544	2572	2602	2629	2672
PERCENTAGE CHANGE.....	1.38	0.80	0.74	3.10	0.17	1.04	1.10	1.16	1.04	1.65
EMPLOYED PERSONS (THOUS).....	2275	2263	2283	2353	2376	2407	2434	2467	2498	2543
PERCENTAGE CHANGE.....	1.24	-0.54	0.88	3.07	1.00	1.27	1.15	1.37	1.23	1.81
UNEMPLOYED PERSONS (THOUS).....	126	157	155	161	141	138	138	134	131	129
PERCENTAGE CHANGE.....	3.93	25.10	-1.25	3.49	-12.02	-2.77	0.21	-2.57	-2.42	-1.42
PARTICIPATION RATE (PERCENT).....	62.0	62.0	62.0	63.4	62.9	63.1	63.4	63.7	63.9	64.5
PERCENTAGE CHANGE.....	0.43	-0.04	-0.08	2.26	-0.64	0.31	0.41	0.47	0.36	0.97
UNEMPLOYMENT RATE (PERCENT).....	5.2	6.5	6.4	6.4	5.6	5.4	5.4	5.2	5.0	4.8

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 23: TENNESSEE TAXABLE SALES
MILLIONS OF 1982 DOLLARS

	FORECAST - DATA									
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
TOTAL.....	30496	29917	30378	30874	31468	31980	32459	32979	33578	34212
PERCENTAGE CHANGE.....	-1.01	-1.90	1.54	1.63	1.93	1.62	1.50	1.60	1.82	1.89
AUTO DEALERS.....	3048	2749	2767	2807	2881	2902	2910	2920	2946	2974
PERCENTAGE CHANGE.....	-11.75	-9.79	0.64	1.44	2.64	0.72	0.29	0.36	0.88	0.96
PURCHASES FROM MANUFACTURERS.....	2185	2214	2343	2516	2672	2784	2872	2974	3102	3233
PERCENTAGE CHANGE.....	-4.17	1.31	5.85	7.36	6.20	4.22	3.15	3.54	4.31	4.23
MISC DURABLE GOODS.....	4757	4457	4454	4451	4478	4498	4524	4572	4652	4739
PERCENTAGE CHANGE.....	-2.98	-6.30	-0.07	-0.06	0.61	0.45	0.56	1.07	1.74	1.87
EATING AND DRINKING PLACES.....	2452	2416	2480	2552	2643	2738	2834	2933	3037	3145
PERCENTAGE CHANGE.....	1.08	-1.47	2.65	2.90	3.55	3.58	3.51	3.51	3.52	3.59
FOOD STORES.....	4449	4320	4256	4209	4178	4152	4122	4092	4066	4039
PERCENTAGE CHANGE.....	-0.99	-2.91	-1.47	-1.09	-0.74	-0.63	-0.72	-0.72	-0.64	-0.66
LIQUOR STORES.....	191	173	164	157	151	145	139	133	128	123
PERCENTAGE CHANGE.....	-1.80	-9.26	-5.11	-4.35	-4.02	-3.92	-4.01	-4.01	-4.01	-3.95
HOTELS AND MOTELS.....	736	754	780	801	820	840	860	880	900	922
PERCENTAGE CHANGE.....	0.21	2.44	3.53	2.58	2.37	2.50	2.34	2.32	2.31	2.40
OTHER RETAIL AND SERVICE.....	8173	8251	8440	8578	8730	8886	9045	9207	9377	9555
PERCENTAGE CHANGE.....	0.44	0.95	2.30	1.62	1.78	1.79	1.78	1.80	1.84	1.90
MISC NONDURABLE GOODS.....	2785	2771	2819	2867	2909	2953	2997	3042	3089	3138
PERCENTAGE CHANGE.....	1.17	-0.48	1.72	1.68	1.49	1.50	1.49	1.50	1.54	1.59
TRANSPORTATION, COMMUNICATION.....	1722	1812	1873	1937	2006	2082	2158	2225	2282	2345
PERCENTAGE CHANGE.....	20.05	5.26	3.36	3.38	3.61	3.74	3.66	3.13	2.57	2.73
PER CAPITA TOTAL TAXABLE SALES (\$)..	6118	5949	5987	6031	6093	6144	6188	6239	6304	6374
PERCENTAGE CHANGE.....	-1.89	-2.77	0.64	0.74	1.03	0.83	0.72	0.82	1.04	1.11

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 24: TENNESSEE TAXABLE SALES
MILLIONS OF CURRENT DOLLARS

	FORECAST - DATA									
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
TOTAL.....	41615	42955	45365	48113	51393	54686	58106	61783	65819	70170
PERCENTAGE CHANGE.....	4.03	3.22	5.61	6.06	6.82	6.41	6.25	6.33	6.53	6.61
AUTO DEALERS.....	4159	3948	4132	4374	4705	4962	5209	5471	5775	6101
PERCENTAGE CHANGE.....	-7.26	-5.08	4.67	5.86	7.57	5.46	4.98	5.02	5.55	5.64
PURCHASES FROM MANUFACTURERS.....	2982	3179	3499	3920	4363	4761	5141	5571	6080	6631
PERCENTAGE CHANGE.....	0.70	6.60	10.09	12.03	11.29	9.12	7.98	8.35	9.14	9.06
MISC DURABLE GOODS.....	6491	6400	6652	6937	7314	7693	8098	8565	9118	9719
PERCENTAGE CHANGE.....	1.96	-1.41	3.94	4.29	5.44	5.18	5.27	5.78	6.45	6.59
EATING AND DRINKING PLACES.....	3347	3470	3704	3978	4317	4682	5073	5495	5952	6451
PERCENTAGE CHANGE.....	6.23	3.68	6.76	7.38	8.52	8.46	8.36	8.32	8.31	8.39
FOOD STORES.....	6071	6202	6356	6560	6824	7100	7379	7666	7970	8284
PERCENTAGE CHANGE.....	4.05	2.16	2.48	3.21	4.02	4.05	3.93	3.90	3.96	3.94
LIQUOR STORES.....	260	248	245	244	246	247	249	250	251	252
PERCENTAGE CHANGE.....	3.20	-4.53	-1.31	-0.19	0.58	0.61	0.49	0.46	0.44	0.50
HOTELS AND MOTELS.....	1004	1082	1165	1247	1338	1436	1539	1648	1764	1890
PERCENTAGE CHANGE.....	5.31	7.79	7.68	7.05	7.29	7.32	7.13	7.09	7.05	7.15
OTHER RETAIL AND SERVICE.....	11152	11846	12605	13367	14258	15196	16191	17249	18381	19598
PERCENTAGE CHANGE.....	5.55	6.22	6.40	6.05	6.67	6.58	6.55	6.54	6.56	6.62
MISC NONDURABLE GOODS.....	3800	3979	4210	4467	4752	5050	5365	5699	6054	6435
PERCENTAGE CHANGE.....	6.32	4.71	5.80	6.11	6.37	6.27	6.24	6.22	6.24	6.29
TRANSPORTATION, COMMUNICATION.....	2349	2602	2797	3018	3277	3559	3862	4169	4474	4809
PERCENTAGE CHANGE.....	26.16	10.76	7.50	7.88	8.59	8.62	8.51	7.93	7.32	7.49
PER CAPITA TOTAL TAXABLE SALES (\$)..	8349	8541	8941	9399	9951	10507	11078	11688	12356	13072
PERCENTAGE CHANGE.....	3.10	2.30	4.67	5.12	5.88	5.58	5.43	5.51	5.72	5.80

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 25: TENNESSEE GROSS STATE PRODUCT BY SECTOR
MILLIONS OF 1982 DOLLARS

	FORECAST - DATA									
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
GROSS STATE PRODUCT.....	74009.8	74509.4	76843.4	79741.0	82292.6	84990.1	88030.7	91137.7	94344.3	97834.0
PERCENTAGE CHANGE.....	0.76	0.68	3.13	3.77	3.20	3.28	3.58	3.53	3.52	3.70
MINING.....	382.1	378.0	376.4	372.5	369.0	368.2	370.0	372.6	376.0	379.6
PERCENTAGE CHANGE.....	1.68	-1.08	-0.41	-1.04	-0.94	-0.24	0.49	0.70	0.92	0.97
CONSTRUCTION.....	2635.9	2504.2	2530.6	2657.0	2730.1	2780.2	2823.5	2871.6	2939.5	2986.6
PERCENTAGE CHANGE.....	-6.30	-5.00	1.06	4.99	2.75	1.83	1.56	1.70	2.36	1.60
MANUFACTURING.....	21313.8	21446.6	22248.4	23000.9	23947.9	24753.4	25747.0	26618.2	27651.7	28708.9
PERCENTAGE CHANGE.....	1.24	0.62	3.74	3.38	4.12	3.36	4.01	3.38	3.88	3.82
DURABLE GOODS.....	12708.0	12837.6	13401.6	13971.4	14803.8	15519.1	16407.5	17176.3	18111.1	19080.7
PERCENTAGE CHANGE.....	0.96	1.02	4.39	4.25	5.96	4.83	5.72	4.69	5.44	5.35
NONDURABLE GOODS.....	8605.8	8609.0	8846.8	9029.6	9144.1	9234.3	9339.5	9441.9	9540.7	9628.3
PERCENTAGE CHANGE.....	1.66	0.04	2.76	2.07	1.27	0.99	1.14	1.10	1.05	0.92
TRADE.....	14840.9	14898.9	15127.4	15749.8	16415.8	17084.1	17821.7	18673.4	19419.5	20321.3
PERCENTAGE CHANGE.....	1.18	0.39	1.53	4.11	4.23	4.07	4.32	4.78	4.00	4.64
SERVICES.....	11135.0	11512.1	12076.6	12721.0	13281.0	13908.2	14609.6	15350.6	16126.7	17014.1
PERCENTAGE CHANGE.....	1.59	3.39	4.90	5.34	4.40	4.72	5.04	5.07	5.06	5.50
FINANCE, INSURANCE AND REAL ESTATE.....	9268.7	9348.1	9701.9	10136.4	10145.7	10440.9	10696.8	10917.8	11107.6	11287.0
PERCENTAGE CHANGE.....	1.87	0.86	3.78	4.48	0.09	2.91	2.45	2.07	1.74	1.61
TRANS., COMM., AND PUBLIC UTIL.....	5538.9	5483.9	5739.2	5936.2	6092.8	6200.4	6347.5	6546.9	6796.2	7060.7
PERCENTAGE CHANGE.....	-0.80	-0.99	4.65	3.43	2.64	1.77	2.37	3.14	3.81	3.89
GOVERNMENT.....	7258.2	7291.5	7322.8	7355.5	7399.3	7451.0	7521.6	7607.3	7663.3	7727.6
PERCENTAGE CHANGE.....	-0.13	0.46	0.43	0.45	0.60	0.70	0.95	1.14	0.74	0.84
FEDERAL CIVILIAN.....	2560.3	2599.6	2644.6	2678.9	2718.8	2767.5	2831.9	2909.3	2960.5	3019.4
PERCENTAGE CHANGE.....	2.81	1.54	1.73	1.30	1.49	1.79	2.33	2.73	1.76	1.99
FEDERAL MILITARY.....	363.4	358.3	360.1	361.8	363.1	363.8	364.0	365.2	365.7	365.9
PERCENTAGE CHANGE.....	-0.36	-1.40	0.51	0.46	0.37	0.17	0.07	0.32	0.13	0.07
STATE AND LOCAL.....	4334.6	4333.6	4318.1	4314.8	4317.3	4319.8	4325.7	4332.8	4337.1	4342.3
PERCENTAGE CHANGE.....	-1.78	-0.02	-0.36	-0.08	0.06	0.06	0.14	0.17	0.10	0.12
AGRICULTURE.....	1636.4	1646.1	1720.2	1811.7	1910.9	2003.9	2093.1	2179.3	2263.7	2348.3
PERCENTAGE CHANGE.....	0.34	0.59	4.50	5.32	5.48	4.86	4.45	4.12	3.87	3.74
FARM.....	1414.0	1416.6	1479.9	1559.3	1645.8	1725.9	1802.0	1875.0	1945.8	2016.4
PERCENTAGE CHANGE.....	-0.09	0.18	4.47	5.37	5.54	4.87	4.41	4.05	3.78	3.62
AG SERVICES, FORESTRY, FISHERIES..	222.4	229.5	240.3	252.4	265.2	278.0	291.1	304.3	317.9	331.9
PERCENTAGE CHANGE.....	3.12	3.21	4.70	5.02	5.07	4.84	4.69	4.56	4.47	4.41
PER CAPITA GROSS STATE PRODUCT (\$)..	14848.1	14815.5	15144.4	15577.0	15934.6	16328.9	16782.5	17241.1	17711.3	18226.3
PERCENTAGE CHANGE.....	-0.14	-0.22	2.22	2.86	2.30	2.47	2.78	2.73	2.73	2.91

TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 26: TENNESSEE DURABLE GOODS MANUFACTURING GROSS PRODUCT
MILLIONS OF 1982 DOLLARS

	FORECAST - DATA									
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
TOTAL DURABLE GOODS.....	12708.0	12837.6	13401.6	13971.4	14803.8	15519.1	16407.5	17176.3	18111.1	19080.7
PERCENTAGE CHANGE.....	0.96	1.02	4.39	4.25	5.96	4.83	5.72	4.69	5.44	5.35
LUMBER AND WOOD PRODUCTS.....	446.6	430.3	435.7	451.8	469.3	485.4	501.7	513.8	525.5	536.7
PERCENTAGE CHANGE.....	-1.86	-3.66	1.26	3.71	3.86	3.44	3.36	2.40	2.29	2.13
FURNITURE AND FIXTURES.....	586.4	580.2	607.2	628.6	651.3	662.0	670.1	688.1	700.4	729.5
PERCENTAGE CHANGE.....	1.43	-1.06	4.66	3.51	3.62	1.65	1.22	2.68	1.79	4.15
STONE, CLAY AND GLASS.....	567.3	527.6	534.0	525.5	548.1	563.0	573.2	588.5	605.1	620.8
PERCENTAGE CHANGE.....	-2.62	-7.01	1.21	-1.59	4.30	2.71	1.82	2.68	2.82	2.58
PRIMARY METALS.....	497.2	473.8	471.4	457.4	457.2	462.8	479.0	492.8	505.9	519.1
PERCENTAGE CHANGE.....	-7.99	-4.71	-0.51	-2.98	-0.04	1.22	3.52	2.88	2.65	2.61
FABRICATED METAL PRODUCTS.....	1599.9	1577.1	1619.7	1626.3	1662.7	1705.3	1739.2	1763.2	1792.7	1813.3
PERCENTAGE CHANGE.....	-2.71	-1.42	2.70	0.40	2.24	2.57	1.99	1.38	1.67	1.14
NONELECTRICAL MACHINERY.....	4844.4	5060.6	5353.1	5686.0	6137.6	6524.4	7061.3	7517.1	8101.0	8716.7
PERCENTAGE CHANGE.....	4.59	4.46	5.78	6.22	7.94	6.30	8.23	6.45	7.77	7.60
ELECTRICAL MACHINERY.....	1535.7	1495.2	1529.7	1590.4	1674.1	1735.5	1792.5	1839.4	1891.2	1944.0
PERCENTAGE CHANGE.....	-4.80	-2.64	2.31	3.97	5.26	3.66	3.28	2.62	2.82	2.79
TRANSPORTATION EQUIPMENT.....	1747.2	1779.2	1880.8	1985.9	2122.7	2248.7	2399.9	2523.6	2677.9	2820.2
PERCENTAGE CHANGE.....	2.73	1.83	5.71	5.59	6.89	5.93	6.72	5.16	6.11	5.31
INSTRUMENTS.....	440.9	469.8	505.9	542.7	585.2	629.2	678.2	727.3	779.8	843.2
PERCENTAGE CHANGE.....	7.57	6.55	7.70	7.27	7.82	7.53	7.78	7.23	7.22	8.13
MISCELLANEOUS DURABLE GOODS.....	442.2	444.0	464.2	476.8	495.5	502.8	512.4	522.5	531.6	537.3
PERCENTAGE CHANGE.....	2.65	0.41	4.54	2.71	3.94	1.46	1.91	1.98	1.73	1.09

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 27: TENNESSEE NONDURABLE GOODS MANUFACTURING GROSS PRODUCT
MILLIONS OF 1982 DOLLARS

	F O R E C A S T - D A T A									
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
TOTAL NONDURABLE GOODS.....	8605.8	8609.0	8846.8	9029.6	9144.1	9234.3	9339.5	9441.9	9540.7	9628.3
PERCENTAGE CHANGE.....	1.66	0.04	2.76	2.07	1.27	0.99	1.14	1.10	1.05	0.92
FOOD.....	1828.8	1855.4	1888.5	1912.1	1941.4	1959.9	1993.8	2014.0	2008.6	2045.9
PERCENTAGE CHANGE.....	3.99	1.45	1.78	1.25	1.53	0.95	1.73	1.02	-0.27	1.86
TOBACCO.....	99.5	98.8	99.4	99.7	99.8	99.5	99.4	99.4	99.4	99.4
PERCENTAGE CHANGE.....	2.08	-0.63	0.58	0.31	0.05	-0.25	-0.15	0.01	0.03	0.04
TEXTILES.....	517.2	507.3	502.0	507.0	512.1	512.2	517.4	521.3	523.9	528.0
PERCENTAGE CHANGE.....	-0.39	-1.92	-1.05	1.00	0.99	0.03	1.01	0.74	0.51	0.78
APPAREL.....	1005.4	955.7	955.2	964.8	974.1	994.8	1012.4	1026.6	1032.4	1041.4
PERCENTAGE CHANGE.....	-0.33	-4.94	-0.05	1.00	0.97	2.13	1.76	1.40	0.56	0.87
PAPER.....	1222.0	1256.4	1351.8	1384.6	1417.7	1449.0	1483.0	1516.2	1552.3	1587.0
PERCENTAGE CHANGE.....	4.62	2.81	7.60	2.42	2.39	2.21	2.35	2.24	2.38	2.23
PRINTING AND PUBLISHING.....	754.9	793.9	833.3	848.0	860.7	872.9	884.7	896.2	909.9	922.1
PERCENTAGE CHANGE.....	1.20	5.17	4.97	1.77	1.50	1.41	1.36	1.30	1.52	1.35
CHEMICALS.....	1659.6	1663.6	1686.9	1695.2	1675.0	1637.0	1594.5	1557.5	1516.1	1469.4
PERCENTAGE CHANGE.....	1.11	0.24	1.41	0.49	-1.19	-2.27	-2.60	-2.32	-2.66	-3.08
PETROLEUM REFINING.....	106.7	107.9	110.8	113.7	116.3	119.2	122.5	125.5	128.6	131.7
PERCENTAGE CHANGE.....	4.38	1.11	2.66	2.65	2.31	2.50	2.71	2.44	2.49	2.42
RUBBER AND PLASTICS.....	1210.2	1174.2	1209.4	1279.4	1311.9	1348.6	1387.7	1437.7	1519.6	1556.7
PERCENTAGE CHANGE.....	-1.16	-2.97	2.99	5.79	2.54	2.79	2.90	3.60	5.70	2.44
LEATHER.....	201.5	195.8	209.5	225.0	235.2	241.1	244.3	247.6	249.8	246.5
PERCENTAGE CHANGE.....	0.94	-2.86	7.02	7.39	4.52	2.54	1.31	1.34	0.91	-1.31

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 28: TENNESSEE GROSS STATE PRODUCT BY SECTOR
MILLIONS OF CURRENT DOLLARS

	FORECAST - DATA									
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
GROSS STATE PRODUCT.....	96046	100719	108000	116480	125226	135011	145753	157466	169773	183418
PERCENTAGE CHANGE.....	4.79	4.87	7.23	7.85	7.51	7.81	7.96	8.04	7.82	8.04
MINING.....	374	376	380	381	382	386	392	399	406	414
PERCENTAGE CHANGE.....	3.14	0.36	0.99	0.30	0.32	0.97	1.63	1.77	1.93	1.91
CONSTRUCTION.....	3644	3554	3693	3992	4229	4456	4702	4987	5343	5691
PERCENTAGE CHANGE.....	-3.67	-2.48	3.90	8.10	5.94	5.37	5.53	6.06	7.13	6.50
MANUFACTURING.....	23085	23884	25405	26846	28761	30635	32630	34709	36925	39285
PERCENTAGE CHANGE.....	4.14	3.46	6.37	5.67	7.13	6.51	6.51	6.37	6.38	6.39
DURABLE GOODS.....	11925	12236	12967	13660	14844	15970	17171	18436	19818	21320
PERCENTAGE CHANGE.....	2.46	2.61	5.98	5.34	8.67	7.58	7.52	7.37	7.50	7.58
NONDURABLE GOODS.....	11160	11648	12438	13186	13917	14665	15459	16272	17106	17965
PERCENTAGE CHANGE.....	5.99	4.37	6.78	6.02	5.54	5.37	5.41	5.26	5.13	5.02
TRADE.....	18666	19505	20480	22085	23989	26014	28234	30745	33222	36148
PERCENTAGE CHANGE.....	5.05	4.50	5.00	7.84	8.62	8.44	8.54	8.89	8.06	8.81
SERVICES.....	16083	17694	19694	21930	24165	26634	29416	32521	35972	39926
PERCENTAGE CHANGE.....	7.33	10.01	11.30	11.35	10.19	10.22	10.45	10.55	10.61	10.99
FINANCE, INSURANCE AND REAL ESTATE..	13632	14337	15504	16877	17615	18918	20240	21579	22933	24344
PERCENTAGE CHANGE.....	6.10	5.17	8.14	8.86	4.38	7.40	6.99	6.61	6.27	6.16
TRANS., COMM., AND PUBLIC UTIL.....	7117	7308	7920	8447	8973	9485	10110	10858	11723	12663
PERCENTAGE CHANGE.....	1.90	2.68	8.36	6.66	6.23	5.70	6.59	7.40	7.97	8.01
GOVERNMENT.....	11533	12213	13013	13858	14856	16022	17355	18784	20161	21646
PERCENTAGE CHANGE.....	6.02	5.89	6.55	6.49	7.20	7.85	8.32	8.23	7.33	7.37
FEDERAL CIVILIAN.....	3889	4087	4394	4698	5112	5659	6323	7032	7647	8319
PERCENTAGE CHANGE.....	9.29	5.08	7.53	6.92	8.80	10.70	11.74	11.21	8.75	8.78
FEDERAL MILITARY.....	509	528	560	594	630	668	707	751	797	844
PERCENTAGE CHANGE.....	4.39	3.73	5.93	6.06	6.07	6.02	5.96	6.21	6.04	5.99
STATE AND LOCAL.....	7134	7597	8058	8566	9114	9696	10324	11000	11717	12483
PERCENTAGE CHANGE.....	4.43	6.49	6.07	6.29	6.40	6.38	6.48	6.55	6.51	6.54
AGRICULTURE.....	1911	1847	1912	2065	2256	2461	2672	2884	3087	3301
PERCENTAGE CHANGE.....	1.73	-3.30	3.49	7.99	9.28	9.05	8.60	7.91	7.06	6.92
FARM.....	1666	1594	1646	1782	1956	2142	2335	2527	2711	2904
PERCENTAGE CHANGE.....	1.40	-4.28	3.22	8.30	9.75	9.51	9.00	8.22	7.28	7.11
AG SERVICES, FORESTRY, FISHERIES..	245	253	266	282	300	319	337	357	377	397
PERCENTAGE CHANGE.....	4.03	3.33	5.20	6.07	6.32	6.11	5.91	5.74	5.55	5.48
PER CAPITA GROSS STATE PRODUCT (\$)..	19269	20027	21285	22754	24248	25939	27787	29789	31872	34170
PERCENTAGE CHANGE.....	3.85	3.93	6.28	6.90	6.57	6.97	7.12	7.20	6.99	7.21

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 29: TENNESSEE DURABLE GOODS MANUFACTURING GROSS PRODUCT
MILLIONS OF CURRENT DOLLARS

	FORECAST - DATA									
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
TOTAL DURABLE GOODS.....	11925	12236	12967	13660	14844	15970	17171	18436	19818	21320
PERCENTAGE CHANGE.....	2.46	2.61	5.98	5.34	8.67	7.58	7.52	7.37	7.50	7.58
LUMBER AND WOOD PRODUCTS.....	569	561	581	615	652	688	724	755	785	815
PERCENTAGE CHANGE.....	0.54	-1.40	3.53	5.93	5.99	5.47	5.29	4.24	4.04	3.81
FURNITURE AND FIXTURES.....	690	684	719	750	790	824	863	920	974	1056
PERCENTAGE CHANGE.....	1.53	-0.90	5.08	4.37	5.31	4.29	4.72	6.67	5.87	8.40
STONE,CLAY AND GLASS.....	797	777	814	827	898	968	1040	1126	1218	1311
PERCENTAGE CHANGE.....	3.03	-2.52	4.67	1.68	8.58	7.79	7.41	8.30	8.10	7.70
PRIMARY METALS.....	535	530	522	514	520	531	555	577	598	620
PERCENTAGE CHANGE.....	-7.08	-0.86	-1.50	-1.51	0.99	2.20	4.52	3.93	3.63	3.65
FABRICATED METAL PRODUCTS.....	2086	2139	2247	2326	2485	2684	2891	3082	3278	3468
PERCENTAGE CHANGE.....	3.50	2.53	5.06	3.54	6.81	8.01	7.70	6.62	6.35	5.80
NONELECTRICAL MACHINERY.....	2227	2342	2478	2550	2811	2967	3079	3255	3455	3709
PERCENTAGE CHANGE.....	3.09	5.17	5.80	2.90	10.25	5.56	3.77	5.70	6.15	7.36
ELECTRICAL MACHINERY.....	1791	1798	1873	1975	2121	2263	2418	2566	2718	2869
PERCENTAGE CHANGE.....	-1.14	0.38	4.18	5.45	7.40	6.68	6.87	6.13	5.89	5.56
TRANSPORTATION EQUIPMENT.....	2220	2321	2554	2829	3187	3554	3986	4402	4909	5436
PERCENTAGE CHANGE.....	4.70	4.52	10.06	10.76	12.65	11.53	12.14	10.44	11.53	10.74
INSTRUMENTS.....	539	596	660	728	809	900	1008	1123	1250	1402
PERCENTAGE CHANGE.....	12.15	10.58	10.86	10.20	11.11	11.31	11.97	11.46	11.28	12.12
MISCELLANEOUS DURABLE GOODS.....	471	489	520	545	572	591	607	630	634	634
PERCENTAGE CHANGE.....	3.47	3.78	6.38	4.85	5.03	3.25	2.79	3.69	0.63	0.09

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 30: TENNESSEE NONDURABLE GOODS MANUFACTURING GROSS PRODUCT
MILLIONS OF CURRENT DOLLARS

	F O R E C A S T - D A T A									
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
TOTAL NONDURABLE GOODS.....	11160	11648	12438	13186	13917	14665	15459	16272	17106	17965
PERCENTAGE CHANGE.....	5.99	4.37	6.78	6.02	5.54	5.37	5.41	5.26	5.13	5.02
FOOD.....	2295	2400	2499	2589	2701	2808	2942	3056	3128	3268
PERCENTAGE CHANGE.....	8.21	4.60	4.09	3.62	4.32	3.97	4.78	3.87	2.36	4.46
TOBACCO.....	241	264	296	333	376	427	486	556	636	729
PERCENTAGE CHANGE.....	11.38	9.65	11.90	12.49	13.08	13.38	13.91	14.36	14.52	14.63
TEXTILES.....	580	572	574	593	618	642	677	716	757	805
PERCENTAGE CHANGE.....	0.09	-1.48	0.33	3.36	4.18	3.97	5.46	5.69	5.81	6.28
APPAREL.....	1306	1304	1371	1456	1548	1666	1785	1901	2003	2115
PERCENTAGE CHANGE.....	4.86	-0.15	5.12	6.18	6.33	7.62	7.14	6.50	5.35	5.62
PAPER.....	1581	1684	1877	1990	2109	2230	2360	2493	2638	2785
PERCENTAGE CHANGE.....	8.44	6.52	11.43	6.03	5.96	5.72	5.83	5.67	5.79	5.59
PRINTING AND PUBLISHING.....	1213	1361	1519	1644	1778	1918	2061	2206	2360	2516
PERCENTAGE CHANGE.....	7.51	12.15	11.64	8.23	8.13	7.88	7.44	7.04	6.98	6.62
CHEMICALS.....	2064	2151	2257	2343	2397	2426	2439	2451	2449	2437
PERCENTAGE CHANGE.....	5.27	4.21	4.91	3.80	2.31	1.22	0.54	0.48	-0.08	-0.50
PETROLEUM REFINING.....	187	208	229	249	274	303	337	374	416	463
PERCENTAGE CHANGE.....	11.81	11.43	9.96	9.10	9.99	10.59	11.09	11.06	11.20	11.31
RUBBER AND PLASTICS.....	1479	1491	1586	1736	1847	1963	2081	2218	2409	2536
PERCENTAGE CHANGE.....	2.38	0.82	6.37	9.46	6.36	6.29	6.03	6.59	8.62	5.27
LEATHER.....	213	212	231	253	269	282	291	301	310	310
PERCENTAGE CHANGE.....	2.64	-0.57	8.93	9.72	6.49	4.69	3.13	3.50	2.89	0.08

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 31: TENNESSEE ENERGY CONSUMPTION - SELECTED CATEGORIES

	FORECAST - DATA									
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
ELECTRICITY (MIL. KWH).....	69393	69386	71340	73275	75417	77432	79777	81949	84402	86954
PERCENTAGE CHANGE.....	-0.49	-0.01	2.82	2.71	2.92	2.67	3.03	2.72	2.99	3.02
RESIDENTIAL.....	27361	27276	27728	28164	28617	29055	29491	29939	30409	30905
PERCENTAGE CHANGE.....	-1.00	-0.31	1.66	1.57	1.61	1.53	1.50	1.52	1.57	1.63
COMMERCIAL.....	5754	5786	5983	6162	6395	6587	6825	7029	7274	7520
PERCENTAGE CHANGE.....	0.32	0.56	3.42	2.99	3.77	3.01	3.62	2.99	3.48	3.39
INDUSTRIAL.....	27783	27999	29213	30448	31861	33135	34672	36082	37694	39374
PERCENTAGE CHANGE.....	0.01	0.78	4.34	4.23	4.64	4.00	4.64	4.07	4.47	4.46
DIRECTLY SERVED COMM AND IND.....	8495	8325	8416	8501	8544	8655	8789	8899	9025	9154
PERCENTAGE CHANGE.....	-1.00	-2.00	1.09	1.01	0.51	1.30	1.54	1.25	1.42	1.44
GASOLINE (MIL. GAL.).....	2532	2461	2646	2867	2995	3104	3223	3323	3423	3528
PERCENTAGE CHANGE.....	-2.00	-2.82	7.52	8.35	4.46	3.64	3.85	3.10	3.01	3.06
MOTOR VEHICLE REGISTRATIONS.....	4335	4350	4460	4581	4716	4865	5021	5183	5347	5514
PERCENTAGE CHANGE.....	0.59	0.35	2.51	2.73	2.95	3.14	3.22	3.22	3.15	3.13

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APPENDIX 2: HISTORICAL DATA

TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 1: SELECTED U.S. AND TENNESSEE ECONOMIC INDICATORS
SEASONALLY ADJUSTED

	HISTORICAL - DATA											ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
US GNP (BIL82\$) SAAR.....	3858.9	3920.7	3970.2	4005.8	4032.1	4059.3	4095.7	4112.2	4129.7	4133.2	4150.6	3845.3	4016.9	4117.7
% CHG PREV QTR SAAR.....	4.10	6.56	5.15	3.64	2.65	2.73	3.64	1.62	1.71	0.34	1.69	3.43	4.46	2.51
% CHG SAME QTR LAST YR.....	3.95	5.01	5.00	4.86	4.49	3.54	3.16	2.66	2.42	1.82	1.34	3.43	4.46	2.51
US PERS CONS DEFL (1982=100)....	120.3	121.5	122.2	123.5	124.9	126.3	127.9	129.5	130.2	131.8	134.0	119.6	124.2	129.9
% CHG PREV QTR SAAR.....	4.44	4.05	2.32	4.32	4.61	4.56	5.16	5.10	2.18	5.01	6.85	4.59	3.87	4.53
% CHG SAME QTR LAST YR.....	4.88	4.92	3.91	3.78	3.82	3.95	4.66	4.86	4.24	4.35	4.77	4.59	3.87	4.53
TN PERSONAL INCOME (MIL82\$) SAAR	52288	53579	53921	54697	55047	55432	55773	55763	56029	56032	56284	52421	54774	55899
% CHG PREV QTR SAAR.....	2.80	10.25	2.57	5.89	2.58	2.82	2.49	-0.07	1.92	0.02	1.81	3.62	4.49	2.05
% CHG SAME QTR LAST YR.....	2.81	4.71	3.92	5.33	5.28	3.46	3.44	1.95	1.78	1.08	0.91	3.62	4.49	2.05
TN PERSONAL INCOME (MIL\$) SAAR..	62903	65099	65891	67551	68754	70010	71334	72213	72950	73850	75420	62704	68052	72587
% CHG PREV QTR SAAR.....	7.37	14.71	4.96	10.46	7.32	7.51	7.78	5.02	4.15	5.03	8.78	8.39	8.53	6.66
% CHG SAME QTR LAST YR.....	7.83	9.86	7.98	9.31	9.30	7.54	8.26	6.90	6.10	5.48	5.73	8.39	8.53	6.66
US PERSONAL INCOME (BIL82\$) SAAR	3144.5	3202.4	3233.5	3265.9	3292.5	3314.5	3363.7	3369.0	3381.6	3390.9	3405.1	3148.8	3276.6	3376.3
% CHG PREV QTR SAAR.....	2.33	7.57	3.94	4.07	3.29	2.70	6.08	0.63	1.50	1.11	1.68	2.12	4.06	3.04
% CHG SAME QTR LAST YR.....	1.88	3.07	3.57	4.46	4.71	3.50	4.03	3.16	2.71	2.31	1.23	2.12	4.06	3.04
TN NONAGRIC JOBS (THOUS).....	2019.5	2046.1	2062.4	2084.1	2102.4	2118.6	2131.9	2150.5	2163.1	2167.9	2189.2	2011.5	2091.9	2153.3
% CHG PREV QTR SAAR.....	4.16	5.38	3.21	4.29	3.56	3.12	2.52	3.55	2.35	0.89	4.00	4.24	4.00	2.94
% CHG SAME QTR LAST YR.....	4.28	4.65	4.09	4.26	4.11	3.54	3.37	3.19	2.88	2.32	2.69	4.24	4.00	2.94
US NONAGRIC JOBS (MIL).....	102.5	103.5	104.3	105.1	105.9	106.8	107.6	108.2	108.7	109.2	109.9	102.2	105.5	108.4
% CHG PREV QTR SAAR.....	3.00	3.93	3.09	3.23	3.10	3.16	3.28	1.99	1.86	2.01	2.62	2.69	3.27	2.73
% CHG SAME QTR LAST YR.....	2.85	3.13	3.28	3.31	3.34	3.14	3.19	2.88	2.57	2.28	2.12	2.69	3.27	2.73
TN UNEMPLOYMENT RATE (%).....	6.2	5.8	5.8	5.9	5.9	5.6	5.2	5.2	4.9	5.1	5.1	6.6	5.8	5.1
US UNEMPLOYMENT RATE (%).....	6.0	5.8	5.7	5.5	5.5	5.3	5.2	5.3	5.3	5.3	5.3	6.2	5.5	5.3
BANK PRIME INTEREST RATE (%)....	8.4	8.9	8.6	8.8	9.7	10.2	11.0	11.4	10.7	10.5	10.0	8.2	9.3	10.9
TN MFG JOBS (THOUS).....	497.6	506.2	508.2	509.3	513.8	516.2	519.7	524.2	525.7	525.3	526.4	497.5	511.9	523.7
% CHG PREV QTR SAAR.....	3.09	7.09	1.57	0.90	3.57	1.92	2.74	3.44	1.19	-0.31	0.82	1.41	2.90	2.31
% CHG SAME QTR LAST YR.....	1.59	3.04	3.25	3.13	3.25	1.98	2.28	2.91	2.32	1.76	1.28	1.41	2.90	2.31
TN MFG AVG WEEKLY HOURS.....	41.3	42.0	42.1	41.7	41.2	41.3	41.2	41.2	41.1	39.8	38.9	41.6	41.6	40.8
% CHG PREV QTR SAAR.....	0.94	6.57	1.53	-3.58	-5.04	1.13	-1.31	0.05	-0.92	-11.66	-9.09	0.92	0.05	-1.85
% CHG SAME QTR LAST YR.....	-0.21	1.86	0.69	1.30	-0.24	-1.53	-2.23	-1.32	-0.27	-3.58	-5.54	0.92	0.05	-1.85
TN TAXABLE SALES (MIL\$).....	9232	9392	9455	9653	9590	9783	9888	9925	10141	10050	10635	36295	38481	40004
% CHG PREV QTR SAAR.....	14.0	7.1	2.7	8.6	-2.6	8.3	4.4	1.5	9.0	-3.5	25.4	5.9	6.0	4.0
% CHG SAME QTR LAST YR.....	6.6	6.1	8.2	8.0	3.9	4.2	4.6	2.8	5.7	2.7	7.5	5.9	6.0	4.0
TN TAXABLE SALES (MIL82\$).....	7674	7730	7738	7816	7678	7746	7731	7664	7788	7625	7936	30341	30978	30809
% CHG PREV QTR SAAR.....	9.1	2.9	0.4	4.1	-6.9	3.6	-0.7	-3.4	6.7	-8.1	17.3	1.3	2.1	-0.5
% CHG SAME QTR LAST YR.....	1.7	1.1	4.2	4.1	0.1	0.2	-0.1	-1.9	1.4	-1.6	2.7	1.3	2.1	-0.5

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 2: SELECTED PER CAPITA U.S. AND TENNESSEE ECONOMIC INDICATORS
SEASONALLY ADJUSTED

	HISTORICAL - DATA											ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
US GNP (82\$) SAAR.....	15796	16009	16172	16284	16344	16414	16522	16555	16578	16546	16576	15760	16304	16550
% CHG PREV QTR SAAR.....	2.92	5.52	4.12	2.80	1.49	1.73	2.64	0.81	0.57	-0.78	0.72	2.45	3.45	1.51
% CHG SAME QTR LAST YR.....	2.97	4.03	3.97	3.83	3.47	2.53	2.16	1.66	1.43	0.80	0.33	2.45	3.45	1.51
US GNP (\$) SAAR.....	18632	18978	19290	19640	19935	20258	20578	20829	21030	21174	21467	18508	19781	20903
% CHG PREV QTR SAAR.....	6.13	7.64	6.76	7.44	6.14	6.65	6.47	4.97	3.91	2.77	5.65	5.70	6.88	5.67
% CHG SAME QTR LAST YR.....	6.01	7.14	6.78	6.99	6.99	6.75	6.67	6.06	5.49	4.52	4.32	5.70	6.88	5.67
TN PERSONAL INCOME (82\$) SAAR...	10757	10999	11045	11180	11227	11281	11327	11301	11325	11290	11307	10799	11183	11311
% CHG PREV QTR SAAR.....	1.79	9.30	1.69	4.98	1.71	1.95	1.62	-0.92	0.85	-1.20	0.59	2.54	3.56	1.14
% CHG SAME QTR LAST YR.....	1.69	3.63	2.92	4.40	4.37	2.57	2.55	1.08	0.87	0.08	-0.18	2.54	3.56	1.14
TN PERSONAL INCOME (\$) SAAR.....	12940	13363	13497	13807	14023	14248	14487	14634	14745	14881	15151	12917	13894	14687
% CHG PREV QTR SAAR.....	6.31	13.73	4.06	9.52	6.40	6.59	6.87	4.13	3.05	3.75	7.47	7.26	7.56	5.71
% CHG SAME QTR LAST YR.....	6.65	8.73	6.94	8.34	8.37	6.62	7.34	5.99	5.15	4.44	4.59	7.26	7.56	5.71
US PERSONAL INCOME (82\$) SAAR...	12871	13076	13171	13276	13346	13403	13569	13563	13575	13574	13599	12906	13299	13570
% CHG PREV QTR SAAR.....	1.17	6.52	2.93	3.23	2.13	1.71	5.05	-0.17	0.36	-0.02	0.71	1.15	3.04	2.04
% CHG SAME QTR LAST YR.....	0.92	2.11	2.56	3.44	3.69	2.50	3.02	2.16	1.72	1.28	0.22	1.15	3.04	2.04
US PERSONAL INCOME (\$) SAAR.....	15484	15888	16095	16396	16669	16928	17355	17564	17675	17891	18222	15437	16522	17621
% CHG PREV QTR SAAR.....	5.66	10.84	5.32	7.69	6.84	6.35	10.48	4.92	2.55	4.99	7.61	5.80	7.03	6.65
% CHG SAME QTR LAST YR.....	5.85	7.13	6.57	7.36	7.65	6.55	7.83	7.12	6.03	5.69	5.00	5.80	7.03	6.65
TN TAXABLE SALES (82\$).....	1579	1587	1585	1598	1566	1576	1570	1553	1574	1537	1594	6250	6325	6234
% CHG PREV QTR SAAR.....	8.03	2.05	-0.45	3.23	-7.67	2.69	-1.59	-4.27	5.54	-9.23	15.93	0.21	1.19	-1.44
% CHG SAME QTR LAST YR.....	0.57	0.07	3.15	3.17	-0.80	-0.65	-0.93	-2.78	0.52	-2.53	1.54	0.21	1.19	-1.44
TN TAXABLE SALES (\$).....	1899	1928	1937	1973	1956	1991	2008	2011	2050	2025	2136	7477	7857	8094
% CHG PREV QTR SAAR.....	12.83	6.18	1.86	7.69	-3.42	7.37	3.50	0.61	7.84	-4.69	23.87	4.81	5.08	3.02
% CHG SAME QTR LAST YR.....	5.48	5.00	7.19	7.07	2.99	3.28	3.69	1.94	4.79	1.71	6.39	4.81	5.08	3.02

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 3: TENNESSEE PERSONAL INCOME BY COMPONENTS
SEASONALLY ADJUSTED ANNUAL RATES
MILLIONS OF 1982 DOLLARS

	HISTORICAL - DATA											ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
TOTAL PERSONAL INCOME.....	52288	53579	53921	54697	55047	55432	55773	55763	56029	56032	56284	52421	54774	55899
% CHG PREV QTR SAAR.....	2.80	10.25	2.57	5.89	2.58	2.82	2.49	-0.07	1.92	0.02	1.81	3.62	4.49	2.05
% CHG SAME QTR LAST YR.....	2.81	4.71	3.92	5.33	5.28	3.46	3.44	1.95	1.78	1.08	0.91	3.62	4.49	2.05
WAGES AND SALARIES.....	32146	33119	33002	33467	33633	33762	33796	33792	34038	33820	33715	32257	33466	33862
% CHG PREV QTR SAAR.....	3.43	12.66	-1.39	5.75	2.00	1.55	0.40	-0.04	2.94	-2.53	-1.24	4.54	3.75	1.18
% CHG SAME QTR LAST YR.....	3.59	5.55	3.50	4.99	4.63	1.94	2.40	0.97	1.20	0.17	-0.24	4.54	3.75	1.18
OTHER LABOR INCOME.....	2992	3089	3102	3146	3188	3219	3234	3256	3296	3294	3303	3036	3164	3270
% CHG PREV QTR SAAR.....	-2.75	13.64	1.75	5.72	5.50	3.87	1.91	2.73	5.12	-0.25	1.05	3.19	4.21	3.36
% CHG SAME QTR LAST YR.....	0.48	2.37	1.71	4.42	6.57	4.20	4.24	3.49	3.40	2.36	2.14	3.19	4.21	3.36
PROPRIETORS INCOME.....	4929	5080	5170	5352	5355	5511	5577	5374	5249	5369	5575	4918	5347	5392
% CHG PREV QTR SAAR.....	6.97	12.78	7.31	14.84	0.18	12.17	4.90	-13.80	-8.98	9.52	16.18	9.83	8.71	0.85
% CHG SAME QTR LAST YR.....	9.32	12.73	7.33	10.42	8.63	8.48	7.87	0.40	-1.98	-2.56	-0.04	9.83	8.71	0.85
RENT INTEREST DIVIDENDS.....	6702	6859	6970	7083	7283	7448	7668	7924	8036	8061	8012	6729	7196	7922
% CHG PREV QTR SAAR.....	2.54	9.69	6.60	6.69	11.73	9.41	12.32	14.07	5.76	1.23	-2.40	-1.87	6.94	10.09
% CHG SAME QTR LAST YR.....	-1.99	0.89	4.13	6.35	8.66	8.59	10.01	11.87	10.35	8.22	4.49	-1.87	6.94	10.09
TRANSFER PAYMENTS.....	8465	8456	8809	8820	8777	8703	8833	8763	8785	8836	9056	8450	8777	8804
% CHG PREV QTR SAAR.....	-0.52	-0.41	17.75	0.53	-1.93	-3.34	6.13	-3.16	1.01	2.35	10.33	1.51	3.87	0.31
% CHG SAME QTR LAST YR.....	0.82	0.82	4.79	4.07	3.69	2.92	0.28	-0.65	0.09	1.53	2.52	1.51	3.87	0.31
LESS: PERS CONT FOR SOC INS.....	2336	2378	2514	2538	2546	2561	2671	2676	2697	2677	2718	2352	2540	2680
% CHG PREV QTR SAAR.....	-0.05	7.38	24.94	3.83	1.33	2.30	18.37	0.84	3.05	-2.91	6.29	0.24	7.99	5.54
% CHG SAME QTR LAST YR.....	-1.06	0.31	6.65	8.63	9.00	7.69	6.24	5.47	5.91	4.54	1.76	0.24	7.99	5.54
RESIDENCE ADJUSTMENT.....	-610	-645	-619	-634	-643	-651	-664	-669	-678	-672	-659	-618	-637	-671
% CHG PREV QTR SAAR.....	1.71	25.09	-15.50	10.30	5.74	5.02	8.21	3.48	5.29	-3.47	-7.67	17.64	2.98	5.39
% CHG SAME QTR LAST YR.....	14.35	18.79	1.47	4.35	5.37	0.86	7.30	5.60	5.49	3.29	-0.73	17.64	2.98	5.39
PER CAPITA PERSONAL INCOME (\$)...	10757	10999	11045	11180	11227	11281	11327	11301	11325	11290	11307	10799	11183	11311
% CHG PREV QTR SAAR.....	1.79	9.30	1.69	4.98	1.71	1.95	1.62	-0.92	0.85	-1.20	0.59	2.54	3.56	1.14
% CHG SAME QTR LAST YR.....	1.69	3.63	2.92	4.40	4.37	2.57	2.55	1.08	0.87	0.08	-0.18	2.54	3.56	1.14

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 4: TENNESSEE PERSONAL INCOME BY COMPONENTS
SEASONALLY ADJUSTED ANNUAL RATES
MILLIONS OF CURRENT DOLLARS

	HISTORICAL - DATA											ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
TOTAL PERSONAL INCOME.....	62903	65099	65891	67551	68754	70010	71334	72213	72950	73850	75420	62704	68052	72587
% CHG PREV QTR SAAR.....	7.37	14.71	4.96	10.46	7.32	7.51	7.78	5.02	4.15	5.03	8.78	8.39	8.53	6.66
% CHG SAME QTR LAST YR.....	7.83	9.86	7.98	9.31	9.30	7.54	8.26	6.90	6.10	5.48	5.73	8.39	8.53	6.66
WAGES AND SALARIES.....	38672	40239	40329	41332	42008	42642	43225	43761	44317	44575	45178	38586	41578	43970
% CHG PREV QTR SAAR.....	8.02	17.22	0.90	10.33	6.70	6.17	5.58	5.05	5.18	2.35	5.52	9.34	7.75	5.75
% CHG SAME QTR LAST YR.....	8.65	10.75	7.54	8.96	8.63	5.97	7.18	5.88	5.50	4.53	4.52	9.34	7.75	5.75
OTHER LABOR INCOME.....	3599	3753	3791	3885	3982	4065	4136	4215	4292	4342	4426	3631	3931	4247
% CHG PREV QTR SAAR.....	1.57	18.25	4.11	10.29	10.37	8.60	7.17	7.96	7.41	4.74	7.97	7.91	8.26	8.03
% CHG SAME QTR LAST YR.....	5.39	7.41	5.69	8.37	10.64	8.31	9.10	8.52	7.79	6.81	7.01	7.91	8.26	8.03
PROPRIETORS INCOME.....	5930	6172	6318	6610	6688	6960	7133	6959	6834	7077	7470	5884	6644	7001
% CHG PREV QTR SAAR.....	11.72	17.35	9.80	19.81	4.80	17.29	10.32	-9.41	-6.99	15.00	24.13	14.89	12.92	5.37
% CHG SAME QTR LAST YR.....	14.66	18.28	11.53	14.60	12.78	12.77	12.90	5.28	2.18	1.68	4.72	14.89	12.92	5.37
RENT INTEREST DIVIDENDS.....	8063	8334	8517	8748	9096	9407	9807	10262	10463	10624	10736	8049	8942	10289
% CHG PREV QTR SAAR.....	7.10	14.14	9.08	11.30	16.89	14.39	18.12	19.89	8.07	6.30	4.28	2.65	11.10	15.06
% CHG SAME QTR LAST YR.....	2.79	5.86	8.21	10.37	12.81	12.87	15.15	17.31	15.03	12.94	9.47	2.65	11.10	15.06
TRANSFER PAYMENTS.....	10183	10274	10764	10893	10963	10992	11298	11348	11438	11646	12135	10107	10903	11433
% CHG PREV QTR SAAR.....	3.90	3.62	20.49	4.88	2.60	1.06	11.61	1.78	3.21	7.47	17.88	6.17	7.88	4.86
% CHG SAME QTR LAST YR.....	5.74	5.79	8.89	8.00	7.66	6.99	4.96	4.18	4.33	5.95	7.41	6.17	7.88	4.86
LESS: PERS CONT FOR SOC INS.....	2810	2889	3072	3134	3180	3234	3416	3466	3511	3528	3642	2813	3155	3480
% CHG PREV QTR SAAR.....	4.39	11.73	27.85	8.32	6.00	6.97	24.48	5.98	5.30	1.95	13.57	4.84	12.17	10.31
% CHG SAME QTR LAST YR.....	3.77	5.25	10.82	12.73	13.17	11.94	11.20	10.59	10.41	9.09	6.62	4.84	12.17	10.31
RESIDENCE ADJUSTMENT.....	-734	-784	-756	-783	-803	-822	-849	-867	-883	-886	-883	-740	-791	-871
% CHG PREV QTR SAAR.....	6.23	30.16	-13.54	15.07	10.62	9.81	13.80	8.75	7.59	1.37	-1.35	23.04	6.96	10.15
% CHG SAME QTR LAST YR.....	19.93	24.64	5.44	8.30	9.40	4.85	12.30	10.73	9.96	7.79	4.00	23.04	6.96	10.15
PER CAPITA PERSONAL INCOME (\$)...	12940	13363	13497	13807	14023	14248	14487	14634	14745	14881	15151	12917	13894	14687
% CHG PREV QTR SAAR.....	6.31	13.73	4.06	9.52	6.40	6.59	6.87	4.13	3.05	3.75	7.47	7.26	7.56	5.71
% CHG SAME QTR LAST YR.....	6.65	8.73	6.94	8.34	8.37	6.62	7.34	5.99	5.15	4.44	4.59	7.26	7.56	5.71

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 5: TENNESSEE NONAGRICULTURAL EMPLOYMENT BY SECTOR
THOUSANDS OF JOBS

	HISTORICAL - DATA											ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
TOTAL NONAGRICULTURAL.....	2028.0	2062.5	2030.0	2091.1	2111.7	2135.3	2099.0	2157.2	2172.7	2184.8	2155.2	2011.6	2092.0	2153.4
% CHG SAME QTR LAST YR....	4.30	4.64	4.12	4.23	4.13	3.53	3.40	3.16	2.89	2.32	2.68	4.24	4.00	2.94
MINING.....	6.7	6.9	6.5	6.8	6.7	6.4	6.1	6.4	6.4	6.3	6.2	6.8	6.6	6.3
% CHG SAME QTR LAST YR....	-4.27	-3.72	-2.00	-0.49	0.00	-6.76	-6.12	-5.39	-5.45	-1.55	1.63	-5.13	-2.33	-4.65
CONSTRUCTION.....	100.3	98.5	88.6	99.6	100.9	97.7	88.1	97.6	102.9	101.2	92.9	95.2	96.7	97.4
% CHG SAME QTR LAST YR....	5.99	7.30	2.03	4.66	0.60	-0.85	-0.64	-1.94	2.02	3.58	5.45	5.80	1.57	0.78
MANUFACTURING.....	498.8	507.0	504.9	510.7	515.1	516.9	516.7	525.4	526.9	525.9	523.2	497.4	511.9	523.7
% CHG SAME QTR LAST YR....	1.55	3.04	3.31	3.10	3.26	1.95	2.34	2.88	2.30	1.75	1.26	1.42	2.90	2.32
DURABLE GOODS.....	243.0	249.0	248.0	254.0	255.9	258.4	260.2	263.5	261.1	260.2	259.8	244.4	254.1	261.3
% CHG SAME QTR LAST YR....	1.50	3.51	2.78	3.99	5.31	3.77	4.92	3.77	2.05	0.67	-0.17	2.14	3.96	2.83
NONDURABLE GOODS.....	255.8	257.9	256.8	256.7	259.2	258.4	256.4	261.9	265.8	265.8	263.4	253.0	257.8	262.5
% CHG SAME QTR LAST YR....	1.60	2.59	3.83	2.24	1.32	0.19	-0.16	2.01	2.56	2.84	2.72	0.73	1.87	1.82
TRADE.....	484.1	495.3	477.6	493.9	500.8	510.2	494.3	506.8	513.5	515.9	502.7	477.2	495.6	507.6
% CHG SAME QTR LAST YR....	5.91	5.67	4.51	4.51	3.45	3.02	3.48	2.60	2.54	1.12	1.71	5.57	3.86	2.42
SERVICES.....	419.5	418.7	417.6	439.6	453.1	451.0	447.1	466.4	474.2	473.2	469.1	408.9	440.3	465.2
% CHG SAME QTR LAST YR....	6.23	7.02	7.21	7.77	8.00	7.71	7.05	6.09	4.66	4.92	4.93	6.30	7.68	5.65
FIN,INS,REAL EST.....	102.6	102.2	101.8	103.3	104.4	103.4	102.6	104.0	104.5	103.4	102.9	101.4	103.2	103.6
% CHG SAME QTR LAST YR....	5.73	3.86	2.83	1.37	1.75	1.21	0.79	0.65	0.06	0.03	0.29	6.32	1.78	0.38
TRANS,COMM,PUB UTIL.....	105.0	105.7	106.4	108.2	110.1	112.1	112.1	115.4	116.5	116.5	114.0	103.4	109.2	115.1
% CHG SAME QTR LAST YR....	5.99	4.72	6.54	4.98	4.86	6.09	5.36	6.59	5.78	3.92	1.72	5.98	5.61	5.40
GOVERNMENT.....	311.0	328.2	326.5	329.0	320.6	337.5	332.1	335.2	327.8	342.2	344.2	321.2	328.4	334.3
% CHG SAME QTR LAST YR....	2.47	2.36	1.37	1.71	3.10	2.82	1.71	1.89	2.26	1.39	3.62	2.81	2.24	1.81
FEDERAL,CIVILIAN.....	62.9	63.9	65.3	66.3	64.3	62.1	62.4	62.8	63.1	62.6	65.5	63.4	64.5	62.8
% CHG SAME QTR LAST YR....	1.95	3.68	3.38	4.41	2.28	-2.82	-4.49	-5.23	-1.81	0.80	5.02	2.94	1.80	-2.74
STATE AND LOCAL.....	248.1	264.3	261.2	262.7	256.3	275.4	269.7	272.4	264.7	279.6	278.6	257.8	263.9	271.6
% CHG SAME QTR LAST YR....	2.61	2.05	0.88	1.05	3.31	4.19	3.27	3.69	3.28	1.53	3.30	2.78	2.35	2.92

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 6: TENNESSEE DURABLE GOODS MANUFACTURING EMPLOYMENT
THOUSANDS OF JOBS

	HISTORICAL - DATA											ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
TOTAL DURABLE GOODS.....	243.0	249.0	248.0	254.0	255.9	258.4	260.2	263.5	261.1	260.2	259.8	244.4	254.1	261.3
% CHG SAME QTR LAST YR.....	1.50	3.51	2.78	3.99	5.31	3.77	4.92	3.77	2.05	0.67	-0.17	2.14	3.96	2.83
LUMBER AND WOOD.....	22.0	22.1	21.2	21.8	22.2	21.3	20.9	21.5	21.2	20.6	20.7	21.3	21.6	21.1
% CHG SAME QTR LAST YR.....	15.36	17.35	7.61	2.67	0.76	-3.47	-1.57	-1.07	-4.50	-3.28	-0.64	14.45	1.72	-2.62
FURNITURE AND FIXTURES.....	24.7	25.4	25.7	25.8	25.9	26.5	26.9	27.8	27.7	28.3	27.9	24.7	26.0	27.7
% CHG SAME QTR LAST YR.....	1.10	3.82	5.91	4.60	5.00	4.20	4.94	7.63	6.95	6.92	3.59	1.09	4.92	6.61
STONE,CLAY AND GLASS.....	15.4	15.4	14.2	14.5	15.2	15.4	14.7	14.8	14.7	14.5	14.2	15.3	14.8	14.7
% CHG SAME QTR LAST YR.....	-0.22	1.31	-6.59	-3.77	-1.30	-0.22	3.76	2.30	-3.08	-5.84	-3.40	1.33	-2.95	-0.84
PRIMARY METALS.....	15.5	15.4	15.2	15.5	15.8	16.3	15.9	15.9	15.6	15.3	15.0	15.7	15.7	15.7
% CHG SAME QTR LAST YR.....	-4.90	-4.74	-5.80	-1.90	1.93	5.63	4.62	2.37	-1.47	-5.74	-5.25	-2.89	-0.11	-0.16
FABRICATED METALS.....	38.1	41.6	41.5	42.1	42.6	42.5	42.6	42.9	43.0	42.9	42.5	39.9	42.2	42.8
% CHG SAME QTR LAST YR.....	-2.31	5.32	4.19	4.90	11.63	2.16	2.73	1.98	1.02	0.86	-0.16	2.05	5.62	1.64
NONELECTRICAL MACHINERY.....	35.1	36.4	37.0	37.8	36.2	37.5	39.1	41.0	40.5	39.1	39.5	36.4	37.1	39.9
% CHG SAME QTR LAST YR.....	-3.04	-1.71	-1.33	3.75	3.23	3.02	5.77	8.28	11.87	4.27	1.02	-2.44	2.13	7.52
ELECTRICAL MACHINERY.....	36.0	37.1	36.9	37.8	38.9	39.9	39.8	39.8	40.2	39.8	39.2	35.7	38.4	39.9
% CHG SAME QTR LAST YR.....	3.06	6.11	6.14	7.58	8.16	7.73	7.77	5.29	3.43	-0.25	-1.34	1.56	7.41	3.97
TRANSPORTATION EQUIPMENT.....	35.0	34.4	34.7	36.1	36.5	36.4	38.1	36.9	35.1	36.9	37.2	34.7	36.0	36.8
% CHG SAME QTR LAST YR.....	5.52	2.69	1.56	2.46	4.19	5.91	9.69	2.03	-3.74	1.37	-2.45	5.36	3.53	2.25
INSTRUMENTS.....	9.5	9.5	9.6	9.7	10.0	10.2	10.5	10.6	10.7	10.7	11.1	9.3	9.9	10.6
% CHG SAME QTR LAST YR.....	-0.70	-3.07	3.99	6.57	5.61	8.10	9.76	9.25	6.98	4.89	6.03	-2.86	6.08	7.67
MISCELLANEOUS.....	11.7	11.8	12.2	12.8	12.6	12.4	11.8	12.3	12.3	11.9	12.4	11.4	12.5	12.1
% CHG SAME QTR LAST YR.....	3.55	5.37	14.02	12.61	7.71	5.10	-3.28	-3.65	-2.12	-3.50	4.80	4.52	9.74	-3.14

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 7: TENNESSEE NONDURABLE GOODS MANUFACTURING EMPLOYMENT
THOUSANDS OF JOBS

	HISTORICAL - DATA											ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
TOTAL NONDURABLE GOODS.....	255.8	257.9	256.8	256.7	259.2	258.4	256.4	261.9	265.8	265.8	263.4	253.0	257.8	262.5
% CHG SAME QTR LAST YR.....	1.60	2.59	3.83	2.24	1.32	0.19	-0.16	2.01	2.56	2.84	2.72	0.73	1.87	1.82
FOOD.....	39.6	38.7	38.9	39.1	39.4	39.5	38.4	38.7	39.1	38.9	38.5	38.7	39.2	38.8
% CHG SAME QTR LAST YR.....	0.00	-0.68	1.74	2.36	-0.34	2.24	-1.37	-1.02	-0.93	-1.52	0.26	0.65	1.49	-1.21
TOBACCO.....	1.2	1.6	1.5	0.9	0.8	1.0	1.4	0.8	0.8	1.0	1.1	1.4	1.0	1.0
% CHG SAME QTR LAST YR.....	-2.78	-14.04	-10.00	-25.00	-31.43	-40.82	-6.67	-7.41	0.00	3.45	-23.81	-11.46	-26.47	-3.20
TEXTILES.....	24.1	24.3	24.1	23.5	22.5	22.4	22.2	22.8	22.5	22.4	22.0	24.0	23.1	22.5
% CHG SAME QTR LAST YR.....	4.33	2.24	1.55	-1.40	-6.64	-7.82	-7.89	-3.12	-0.15	0.15	-0.60	3.79	-3.61	-2.85
APPAREL.....	65.1	67.4	66.4	64.5	64.8	64.4	63.7	64.9	65.3	66.2	65.0	64.7	65.1	65.0
% CHG SAME QTR LAST YR.....	3.83	5.81	6.86	0.78	-0.41	-4.45	-4.11	0.57	0.72	2.74	1.99	1.41	0.58	-0.05
PAPER.....	19.4	19.3	18.7	19.6	20.7	19.8	19.5	20.8	22.4	21.7	21.5	18.9	19.7	21.1
% CHG SAME QTR LAST YR.....	2.29	6.23	4.48	3.53	6.70	2.59	4.28	6.13	8.21	9.76	10.45	2.86	4.33	7.15
PRINTING AND PUBLISHING.....	34.3	34.2	34.6	35.5	35.8	35.8	36.0	36.8	37.3	37.4	37.3	33.9	35.4	36.9
% CHG SAME QTR LAST YR.....	3.74	2.70	3.59	5.03	4.47	4.58	4.05	3.57	4.19	4.47	3.60	3.20	4.42	4.07
CHEMICALS.....	37.5	37.3	38.1	38.2	38.8	38.7	38.7	39.1	39.8	39.6	40.0	37.4	38.5	39.3
% CHG SAME QTR LAST YR.....	-0.88	-0.27	1.88	2.23	3.55	3.75	1.49	2.26	2.40	2.15	3.53	-1.25	2.85	2.08
PETROLEUM REFINING.....	1.0	0.9	0.8	0.9	1.1	1.0	0.8	1.0	1.1	1.1	1.0	0.9	1.0	1.0
% CHG SAME QTR LAST YR.....	7.14	0.00	-4.00	0.00	10.01	11.11	4.17	7.14	-3.03	9.99	24.00	3.78	4.55	4.35
RUBBER AND PLASTICS.....	24.1	24.7	24.5	25.4	25.9	26.3	26.7	27.5	27.7	27.5	27.4	23.9	25.5	27.4
% CHG SAME QTR LAST YR.....	-0.14	4.37	5.61	7.49	7.32	6.61	9.26	8.28	7.08	4.43	2.49	-1.17	6.76	7.22
LEATHER.....	9.6	9.4	9.3	9.1	9.3	9.4	9.1	9.6	9.9	9.9	9.6	9.3	9.3	9.6
% CHG SAME QTR LAST YR.....	-6.82	-1.73	4.12	-1.10	-3.14	-0.01	-2.15	5.52	6.84	4.95	5.51	-8.48	-0.09	3.78

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 8: TENNESSEE NONAGRICULTURAL EMPLOYMENT BY SECTOR
THOUSANDS OF SEASONALLY ADJUSTED JOBS

	HISTORICAL - DATA											ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
TOTAL NONAGRICULTURAL.....	2019.5	2046.1	2062.4	2084.1	2102.4	2118.6	2131.9	2150.5	2163.1	2167.9	2189.2	2011.5	2091.9	2153.3
% CHG PREV QTR SAAR.....	4.16	5.38	3.21	4.29	3.56	3.12	2.52	3.55	2.35	0.89	4.00	4.24	4.00	2.94
% CHG SAME QTR LAST YR....	4.28	4.65	4.09	4.26	4.11	3.54	3.37	3.19	2.88	2.32	2.69	4.24	4.00	2.94
MINING.....	6.7	6.8	6.8	6.7	6.7	6.3	6.3	6.4	6.3	6.2	6.4	6.8	6.6	6.3
% CHG PREV QTR SAAR.....	-4.70	4.22	1.00	-2.36	-2.47	-20.78	2.12	1.49	-2.74	-6.33	15.13	-5.21	-2.33	-4.71
% CHG SAME QTR LAST YR....	-4.18	-3.51	-2.29	-0.52	0.06	-6.57	-6.31	-5.40	-5.47	-1.42	1.58	-5.21	-2.33	-4.71
CONSTRUCTION.....	95.4	96.8	96.4	98.3	96.2	96.0	95.6	96.4	98.2	99.4	100.8	95.2	96.7	97.4
% CHG PREV QTR SAAR.....	6.33	5.97	-1.60	8.05	-8.37	-0.65	-1.73	3.46	7.57	5.24	5.47	5.75	1.56	0.71
% CHG SAME QTR LAST YR....	6.34	7.38	1.73	4.62	0.80	-0.81	-0.85	-1.91	2.10	3.58	5.42	5.75	1.56	0.71
MANUFACTURING.....	497.6	506.2	508.2	509.3	513.8	516.2	519.7	524.2	525.7	525.3	526.4	497.5	511.9	523.7
% CHG PREV QTR SAAR.....	3.09	7.09	1.57	0.90	3.57	1.92	2.74	3.44	1.19	-0.31	0.82	1.41	2.90	2.31
% CHG SAME QTR LAST YR....	1.59	3.04	3.25	3.13	3.25	1.98	2.28	2.91	2.32	1.76	1.28	1.41	2.90	2.31
DURABLE GOODS.....	243.0	249.2	249.3	252.6	255.9	258.6	261.3	262.2	261.3	260.4	260.8	244.4	254.1	261.3
% CHG PREV QTR SAAR.....	0.47	10.57	0.13	5.37	5.48	4.22	4.26	1.36	-1.41	-1.40	0.75	2.13	3.96	2.83
% CHG SAME QTR LAST YR....	1.51	3.54	2.68	4.05	5.32	3.78	4.83	3.82	2.08	0.68	-0.18	2.13	3.96	2.83
NONDURABLE GOODS.....	254.6	257.0	258.9	256.8	257.9	257.6	258.4	262.0	264.4	265.0	265.5	253.0	257.8	262.4
% CHG PREV QTR SAAR.....	5.68	3.85	2.97	-3.28	1.72	-0.33	1.23	5.58	3.85	0.78	0.89	0.73	1.88	1.81
% CHG SAME QTR LAST YR....	1.68	2.56	3.79	2.25	1.28	0.24	-0.18	2.03	2.55	2.84	2.75	0.73	1.88	1.81
TRADE.....	480.5	486.5	489.1	495.0	497.2	501.1	506.0	507.9	509.9	506.7	514.6	477.2	495.6	507.6
% CHG PREV QTR SAAR.....	5.97	5.09	2.17	4.92	1.76	3.22	3.98	1.49	1.56	-2.45	6.38	5.57	3.86	2.43
% CHG SAME QTR LAST YR....	5.97	5.65	4.47	4.53	3.48	3.01	3.46	2.61	2.56	1.12	1.70	5.57	3.86	2.43
SERVICES.....	412.3	419.7	427.3	436.5	445.3	451.9	457.5	463.1	466.1	474.0	480.1	408.8	440.2	465.2
% CHG PREV QTR SAAR.....	7.46	7.36	7.51	8.83	8.37	6.02	5.04	5.01	2.61	6.99	5.20	6.30	7.68	5.66
% CHG SAME QTR LAST YR....	6.23	6.98	7.23	7.79	8.01	7.68	7.05	6.10	4.66	4.90	4.94	6.30	7.68	5.66
FIN.INS.REAL EST.....	101.8	102.4	102.8	102.9	103.6	103.6	103.6	103.7	103.6	103.7	103.9	101.4	103.2	103.6
% CHG PREV QTR SAAR.....	1.20	2.37	1.58	0.52	2.56	0.17	-0.24	0.31	-0.04	0.07	0.77	6.33	1.79	0.38
% CHG SAME QTR LAST YR....	5.74	3.85	2.80	1.41	1.75	1.20	0.75	0.69	0.05	0.03	0.28	6.33	1.79	0.38
TRANS.COMM.PUB UTIL.....	104.4	104.8	108.0	108.2	109.4	111.3	113.7	115.3	115.8	115.7	115.7	103.4	109.2	115.1
% CHG PREV QTR SAAR.....	5.18	1.50	13.09	0.50	4.75	6.92	9.07	5.60	1.69	-0.14	-0.27	5.98	5.61	5.39
% CHG SAME QTR LAST YR....	5.96	4.86	6.43	4.95	4.85	6.22	5.26	6.57	5.78	3.99	1.69	5.98	5.61	5.39
GOVERNMENT.....	320.9	323.1	323.8	327.2	330.3	332.2	329.4	333.7	337.5	336.8	341.5	321.2	328.4	334.3
% CHG PREV QTR SAAR.....	-0.70	2.78	0.84	4.35	3.78	2.31	-3.31	5.31	4.67	-0.87	5.69	2.82	2.25	1.82
% CHG SAME QTR LAST YR....	2.24	2.39	1.44	1.80	2.93	2.81	1.74	1.97	2.19	1.38	3.66	2.82	2.25	1.82
FEDERAL.CIVILIAN.....	62.9	64.8	65.1	65.6	64.3	63.0	62.2	62.1	63.2	63.6	65.3	63.4	64.5	62.8
% CHG PREV QTR SAAR.....	0.41	13.13	2.03	2.55	-7.32	-7.74	-5.28	-0.71	7.37	2.31	11.63	2.93	1.76	-2.73
% CHG SAME QTR LAST YR....	2.08	3.77	3.18	4.41	2.34	-2.75	-4.54	-5.30	-1.75	0.82	5.04	2.93	1.76	-2.73
STATE AND LOCAL.....	258.0	258.3	258.6	261.7	266.0	269.1	267.2	271.6	274.3	273.2	276.1	257.8	263.9	271.6
% CHG PREV QTR SAAR.....	-0.97	0.37	0.54	4.81	6.71	4.86	-2.84	6.75	4.06	-1.59	4.34	2.79	2.37	2.93
% CHG SAME QTR LAST YR....	2.28	2.05	1.01	1.17	3.07	4.21	3.32	3.79	3.14	1.52	3.34	2.79	2.37	2.93

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 9: TENNESSEE DURABLE GOODS MANUFACTURING EMPLOYMENT
THOUSANDS OF SEASONALLY ADJUSTED JOBS

	HISTORICAL - DATA											ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
TOTAL DURABLE GOODS.....	243.0	249.2	249.3	252.6	255.9	258.6	261.3	262.2	261.3	260.4	260.8	244.4	254.1	261.3
% CHG PREV QTR SAAR.....	0.47	10.57	0.13	5.37	5.48	4.22	4.26	1.36	-1.41	-1.40	0.75	2.13	3.96	2.83
% CHG SAME QTR LAST YR.....	1.51	3.54	2.68	4.05	5.32	3.78	4.83	3.82	2.08	0.68	-0.18	2.13	3.96	2.83
LUMBER AND WOOD.....	21.6	22.3	21.8	21.4	21.8	21.5	21.4	21.2	20.8	20.8	21.2	21.3	21.6	21.1
% CHG PREV QTR SAAR.....	15.55	14.77	-9.15	-6.96	7.21	-4.42	-2.83	-3.12	-7.01	-0.48	8.25	14.44	1.73	-2.64
% CHG SAME QTR LAST YR.....	15.62	17.36	7.11	2.89	0.98	-3.53	-1.89	-0.90	-4.36	-3.39	-0.74	14.44	1.73	-2.64
FURNITURE AND FIXTURES.....	24.8	25.3	25.7	25.7	26.1	26.3	27.0	27.7	27.9	28.2	27.9	24.7	26.0	27.7
% CHG PREV QTR SAAR.....	4.35	7.12	6.78	0.37	5.68	4.17	9.74	11.19	2.73	4.36	-3.40	1.07	4.92	6.61
% CHG SAME QTR LAST YR.....	1.07	3.84	5.91	4.62	4.95	4.22	4.94	7.66	6.90	6.95	3.59	1.07	4.92	6.61
STONE, CLAY AND GLASS.....	15.1	15.3	14.5	14.6	15.0	15.2	15.0	14.9	14.5	14.3	14.5	15.2	14.8	14.7
% CHG PREV QTR SAAR.....	0.66	2.99	-19.40	2.94	11.11	7.01	-5.12	-2.75	-10.48	-5.26	5.72	1.35	-2.98	-0.79
% CHG SAME QTR LAST YR.....	-0.30	1.20	-6.55	-3.70	-1.29	-0.34	3.81	2.35	-3.04	-5.95	-3.37	1.35	-2.98	-0.79
PRIMARY METALS.....	15.6	15.3	15.2	15.5	15.9	16.2	15.9	15.9	15.6	15.2	15.1	15.7	15.7	15.7
% CHG PREV QTR SAAR.....	-5.73	-7.29	-2.09	8.17	9.27	7.52	-5.10	-1.82	-6.11	-9.79	-2.70	-2.87	-0.10	-0.14
% CHG SAME QTR LAST YR.....	-5.10	-4.83	-5.58	-1.91	1.78	5.62	4.80	2.29	-1.52	-5.75	-5.16	-2.87	-0.10	-0.14
FABRICATED METALS.....	38.1	41.6	41.5	42.1	42.6	42.5	42.6	42.9	43.0	42.9	42.5	39.9	42.2	42.9
% CHG PREV QTR SAAR.....	-18.71	41.74	-0.12	5.15	4.65	-0.49	1.15	2.75	0.70	-1.07	-3.05	2.02	5.59	1.62
% CHG SAME QTR LAST YR.....	-2.15	5.53	3.91	4.88	11.72	2.26	2.59	2.01	1.03	0.88	-0.18	2.02	5.59	1.62
NONELECTRICAL MACHINERY.....	35.9	36.7	36.6	37.0	37.0	37.8	38.8	40.2	41.3	39.4	39.2	36.4	37.1	39.9
% CHG PREV QTR SAAR.....	2.80	9.78	-1.02	4.42	-0.45	9.23	10.51	14.95	12.24	-17.28	-2.04	-2.44	2.13	7.53
% CHG SAME QTR LAST YR.....	-2.97	-1.86	-1.32	3.92	3.09	2.96	5.84	8.41	11.71	4.21	1.12	-2.44	2.13	7.53
ELECTRICAL MACHINERY.....	35.9	36.7	37.1	38.0	38.9	39.6	40.0	40.0	40.2	39.5	39.4	35.7	38.4	39.9
% CHG PREV QTR SAAR.....	7.70	9.33	3.93	10.05	9.35	7.65	3.91	0.67	1.64	-6.93	-0.55	1.55	7.41	3.99
% CHG SAME QTR LAST YR.....	3.04	6.08	6.02	7.72	8.14	7.72	7.72	5.34	3.43	-0.26	-1.35	1.55	7.41	3.99
TRANSPORTATION EQUIPMENT.....	35.0	34.7	34.7	35.8	36.5	36.8	38.0	36.6	35.1	37.3	37.1	34.7	36.0	36.8
% CHG PREV QTR SAAR.....	0.59	-2.93	-0.30	13.52	7.37	3.69	14.01	-14.27	-15.48	28.20	-2.91	5.36	3.51	2.25
% CHG SAME QTR LAST YR.....	5.55	2.88	1.32	2.53	4.21	5.95	9.56	2.13	-3.80	1.44	-2.55	5.36	3.51	2.25
INSTRUMENTS.....	9.5	9.5	9.6	9.8	10.0	10.3	10.5	10.7	10.7	10.8	11.1	9.3	9.9	10.7
% CHG PREV QTR SAAR.....	14.51	0.63	4.40	7.85	9.51	11.12	10.08	6.48	0.60	2.69	14.87	-2.86	6.08	7.66
% CHG SAME QTR LAST YR.....	-0.75	-3.02	3.83	6.73	5.54	8.19	9.63	9.29	6.99	4.90	6.02	-2.86	6.08	7.66
MISCELLANEOUS.....	11.5	11.8	12.5	12.6	12.4	12.4	12.1	12.1	12.1	12.0	12.7	11.4	12.5	12.1
% CHG PREV QTR SAAR.....	7.83	10.44	27.96	3.75	-7.51	-0.07	-8.85	1.33	0.02	-5.66	25.55	4.53	9.79	-3.14
% CHG SAME QTR LAST YR.....	3.79	5.41	14.24	12.13	7.91	5.25	-3.31	-3.88	-1.98	-3.38	4.67	4.53	9.79	-3.14

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TABLE 10: TENNESSEE NONDURABLE GOODS MANUFACTURING EMPLOYMENT
THOUSANDS OF SEASONALLY ADJUSTED JOBS

	HISTORICAL - DATA												ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989	
TOTAL NONDURABLE GOODS.....	254.6	257.0	258.9	256.8	257.9	257.6	258.4	262.0	264.4	265.0	265.5	253.0	257.8	262.4	
% CHG PREV QTR SAAR.....	5.68	3.85	2.97	-3.28	1.72	-0.33	1.23	5.58	3.85	0.78	0.89	0.73	1.88	1.81	
% CHG SAME QTR LAST YR.....	1.68	2.56	3.79	2.25	1.28	0.24	-0.18	2.03	2.55	2.84	2.75	0.73	1.88	1.81	
FOOD.....	38.9	38.6	39.4	39.2	38.9	39.5	38.8	38.8	38.6	38.8	38.9	38.7	39.2	38.8	
% CHG PREV QTR SAAR.....	5.50	-2.45	8.16	-1.64	-3.87	6.47	-6.46	0.06	-2.42	2.60	0.64	0.65	1.49	-1.22	
% CHG SAME QTR LAST YR.....	0.32	-0.76	1.59	2.29	-0.06	2.15	-1.49	-1.07	-0.70	-1.61	0.20	0.65	1.49	-1.22	
TOBACCO.....	1.5	1.5	-1.2	1.1	1.0	0.9	1.1	1.0	1.0	0.9	0.9	1.4	1.0	1.0	
% CHG PREV QTR SAAR.....	13.92	3.55	-53.30	-42.57	-22.66	-42.39	209.17	-46.93	3.38	-33.02	-6.43	-10.60	-27.18	-3.07	
% CHG SAME QTR LAST YR.....	-3.35	-14.91	-8.83	-25.00	-31.92	-41.20	-5.69	-7.54	-0.58	3.24	-23.42	-10.60	-27.18	-3.07	
TEXTILES.....	24.2	24.2	24.1	23.5	22.6	22.3	22.2	22.7	22.6	22.4	22.1	24.0	23.1	22.5	
% CHG PREV QTR SAAR.....	6.53	0.31	-1.36	-10.62	-13.70	-5.04	-1.89	9.21	-1.99	-4.13	-4.91	3.79	-3.61	-2.85	
% CHG SAME QTR LAST YR.....	4.55	2.20	1.50	-1.48	-6.53	-7.80	-7.93	-3.20	-0.07	0.17	-0.61	3.79	-3.61	-2.85	
APPAREL.....	65.4	66.7	66.8	64.5	65.2	63.7	64.0	64.9	65.7	65.5	65.3	64.7	65.1	65.0	
% CHG PREV QTR SAAR.....	9.91	7.79	0.96	-13.36	4.48	-8.80	1.97	5.57	4.79	-1.12	-1.28	1.38	0.60	-0.07	
% CHG SAME QTR LAST YR.....	3.99	5.72	6.71	0.89	-0.38	-4.45	-4.21	0.64	0.71	2.77	1.94	1.38	0.60	-0.07	
PAPER.....	18.7	19.4	19.3	19.5	19.9	19.9	20.2	20.8	21.5	21.9	22.3	18.9	19.7	21.1	
% CHG PREV QTR SAAR.....	-2.04	14.34	-0.67	3.89	8.73	-0.67	5.05	12.64	15.83	6.06	7.48	2.88	4.31	7.11	
% CHG SAME QTR LAST YR.....	1.98	6.44	4.45	3.69	6.43	2.75	4.20	6.33	8.02	9.81	10.44	2.88	4.31	7.11	
PRINTING AND PUBLISHING.....	34.2	34.3	34.8	35.4	35.7	35.9	36.2	36.6	37.2	37.5	37.5	33.9	35.4	36.9	
% CHG PREV QTR SAAR.....	6.61	0.38	6.40	6.97	3.82	1.55	3.92	5.09	5.95	3.09	0.44	3.19	4.42	4.07	
% CHG SAME QTR LAST YR.....	3.61	2.81	3.59	5.05	4.36	4.66	4.05	3.59	4.12	4.51	3.62	3.19	4.42	4.07	
CHEMICALS.....	37.3	37.5	38.2	38.2	38.6	38.9	38.7	39.1	39.5	39.7	40.1	37.4	38.5	39.3	
% CHG PREV QTR SAAR.....	-1.25	2.29	7.51	0.55	4.03	3.04	-1.54	3.58	4.64	2.04	3.96	-1.26	2.85	2.08	
% CHG SAME QTR LAST YR.....	-0.88	-0.27	1.86	2.22	3.56	3.75	1.50	2.25	2.40	2.15	3.55	-1.26	2.85	2.08	
PETROLEUM REFINING.....	0.9	0.9	0.9	0.9	1.0	1.0	0.9	1.0	1.0	1.1	1.1	0.9	1.0	1.0	
% CHG PREV QTR SAAR.....	-0.40	-20.68	-3.26	27.74	47.52	-16.13	-23.28	36.14	0.70	39.12	25.85	3.67	4.25	4.49	
% CHG SAME QTR LAST YR.....	6.54	0.28	-3.09	-0.60	9.66	11.20	4.94	6.62	-3.09	9.98	24.47	3.67	4.25	4.49	
RUBBER AND PLASTICS.....	24.1	24.6	24.7	25.3	25.8	26.3	27.0	27.4	27.6	27.5	27.6	23.9	25.5	27.4	
% CHG PREV QTR SAAR.....	9.39	10.19	0.33	10.58	8.25	7.74	10.44	6.80	3.32	-2.26	2.29	-1.17	6.76	7.22	
% CHG SAME QTR LAST YR.....	-0.18	4.40	5.59	7.54	7.26	6.65	9.24	8.30	7.04	4.47	2.49	-1.17	6.76	7.22	
LEATHER.....	9.4	9.4	9.5	9.1	9.1	9.3	9.3	9.7	9.7	9.8	9.8	9.3	9.3	9.6	
% CHG PREV QTR SAAR.....	7.01	-1.44	4.45	-12.68	-1.86	10.82	-3.51	18.47	3.32	2.07	-0.65	-8.54	-0.02	3.75	
% CHG SAME QTR LAST YR.....	-6.72	-2.19	4.33	-0.97	-3.09	-0.20	-2.16	5.59	6.96	4.79	5.55	-8.54	-0.02	3.75	

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
 TABLE 11: TENNESSEE AVERAGE HOURLY EARNINGS
 SELECTED DURABLE GOODS MANUFACTURING PRODUCTION WORKERS
 1982 DOLLARS

	HISTORICAL - DATA											ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
TOTAL DURABLE GOODS.....	7.79	7.84	7.72	7.60	7.54	7.57	7.59	7.45	7.34	7.30	7.25	7.85	7.61	7.42
% CHG SAME QTR LAST YR.....	-2.11	-2.23	-2.56	-2.89	-3.13	-3.36	-1.76	-2.06	-2.75	-3.64	-4.39	-0.87	-2.98	-2.55
LUMBER AND WOOD.....	5.13	5.12	5.06	5.12	5.11	5.06	4.94	4.82	4.87	4.84	4.75	5.12	5.09	4.87
% CHG SAME QTR LAST YR.....	0.45	1.16	-0.88	-0.22	-0.30	-1.33	-2.35	-5.79	-4.82	-4.32	-3.90	0.59	-0.68	-4.33
FURNITURE AND FIXTURES.....	6.04	5.83	5.89	6.05	5.99	6.15	6.14	6.11	6.13	6.09	6.13	6.20	6.02	6.12
% CHG SAME QTR LAST YR.....	-5.31	-9.58	-9.31	-5.70	-0.90	5.57	4.26	0.98	2.34	-1.01	-0.18	-3.37	-2.83	1.61
STONE,CLAY AND GLASS.....	9.46	9.79	9.99	9.85	9.50	9.83	10.77	9.68	9.29	9.66	9.03	9.66	9.79	9.85
% CHG SAME QTR LAST YR.....	-4.29	1.18	1.42	3.20	0.35	0.46	7.89	-1.71	-2.18	-1.73	-16.17	-1.07	1.35	0.62
PRIMARY METALS.....	10.11	9.82	9.35	9.32	9.25	9.12	9.03	8.89	9.06	9.02	8.69	9.76	9.26	9.00
% CHG SAME QTR LAST YR.....	8.45	3.02	-1.79	-2.97	-8.54	-7.08	-3.37	-4.55	-2.08	-1.12	-3.81	3.09	-5.16	-2.79
FABRICATED METALS.....	7.54	8.01	8.05	7.99	8.02	7.88	8.00	7.94	8.01	7.84	7.72	7.92	7.99	7.94
% CHG SAME QTR LAST YR.....	-7.91	-2.08	-0.81	-0.21	6.44	-1.69	-0.70	-0.74	-0.18	-0.51	-3.40	-3.20	0.85	-0.53
MACHINERY.....	7.58	7.58	7.56	7.45	7.36	7.41	7.35	7.24	7.18	6.88	7.13	7.58	7.44	7.16
% CHG SAME QTR LAST YR.....	0.41	-0.81	-0.38	-1.87	-2.87	-2.27	-2.73	-2.80	-2.44	-7.14	-3.00	0.43	-1.85	-3.77
INSTRUMENTS.....	7.59	7.45	7.68	7.61	7.53	7.38	7.57	7.55	7.52	7.48	7.22	7.50	7.55	7.53
% CHG SAME QTR LAST YR.....	2.73	0.57	2.46	2.11	-0.84	-0.93	-1.47	-0.78	-0.09	1.45	-4.59	1.62	0.70	-0.24

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 12: TENNESSEE AVERAGE HOURLY EARNINGS
SELECTED NONDURABLE GOODS MANUFACTURING PRODUCTION WORKERS
1982 DOLLARS

	HISTORICAL - DATA											ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
TOTAL NONDURABLE GOODS.....	6.83	6.73	6.78	6.78	6.78	6.81	6.80	6.76	6.76	6.76	6.71	6.82	6.79	6.77
% CHG SAME QTR LAST YR.....	-3.60	-4.85	-1.59	-0.72	-0.67	1.18	0.31	-0.30	-0.37	-0.76	-1.44	-3.51	-0.46	-0.28
FOOD.....	6.90	6.96	6.86	6.87	6.80	6.75	6.74	6.71	6.61	6.51	6.50	7.02	6.82	6.64
% CHG SAME QTR LAST YR.....	-4.23	-4.01	-4.86	-2.18	-1.48	-2.93	-1.72	-2.39	-2.87	-3.65	-3.59	-3.14	-2.88	-2.65
TEXTILES.....	5.70	5.66	5.64	5.73	5.70	5.72	5.76	5.73	5.84	5.71	5.55	5.67	5.70	5.76
% CHG SAME QTR LAST YR.....	-0.95	-0.69	-0.69	1.37	0.01	1.19	2.01	0.08	2.35	-0.20	-3.52	-1.06	0.47	1.06
APPAREL.....	4.51	4.49	4.54	4.55	4.49	4.47	4.49	4.44	4.46	4.48	4.44	4.56	4.51	4.47
% CHG SAME QTR LAST YR.....	-1.95	-2.49	-2.24	-0.94	-0.49	-0.51	-1.19	-2.54	-0.59	0.13	-1.23	-1.30	-1.05	-1.06
PAPER.....	8.95	8.89	9.30	8.97	8.80	8.88	9.14	8.94	8.78	8.96	8.93	9.04	8.99	8.96
% CHG SAME QTR LAST YR.....	-4.03	-5.51	1.88	-2.59	-1.68	-0.12	-1.80	-0.33	-0.17	0.98	-2.27	-2.58	-0.63	-0.35
CHEMICALS.....	9.32	9.18	9.11	9.17	9.18	9.37	9.22	9.15	9.22	8.91	8.57	9.21	9.21	9.12
% CHG SAME QTR LAST YR.....	-0.92	-0.62	-0.12	-0.36	-1.59	2.03	1.18	-0.22	0.45	-4.93	-7.01	-2.69	-0.01	-0.91
RUBBER.....	8.11	7.97	8.15	8.10	8.17	8.37	8.29	8.36	8.04	8.33	8.27	8.07	8.20	8.25
% CHG SAME QTR LAST YR.....	-2.66	-5.79	1.18	-0.46	0.69	5.11	1.81	3.19	-1.53	-0.55	-0.29	-3.12	1.62	0.72
LEATHER.....	5.17	4.93	5.02	4.93	4.85	4.86	5.09	5.00	4.85	4.83	5.11	5.16	4.91	4.94
% CHG SAME QTR LAST YR.....	-0.77	-4.59	-4.90	-6.51	-6.21	-1.39	1.47	1.37	0.10	-0.63	0.48	-0.84	-4.80	0.59

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 13: TENNESSEE AVERAGE HOURLY EARNINGS
SELECTED DURABLE GOODS MANUFACTURING PRODUCTION WORKERS
SEASONALLY ADJUSTED 1982 DOLLARS

	HISTORICAL - DATA												ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989	
TOTAL DURABLE GOODS.....	7.82	7.80	7.70	7.63	7.57	7.54	7.56	7.47	7.37	7.27	7.23	7.85	7.61	7.42	
% CHG PREV QTR SAAR.....	-2.24	-0.66	-5.34	-3.37	-3.07	-1.56	1.13	-4.87	-5.49	-5.09	-2.08	-0.87	-2.98	-2.54	
% CHG SAME QTR LAST YR.....	-2.12	-2.23	-2.54	-2.92	-3.13	-3.35	-1.73	-2.12	-2.73	-3.62	-4.39	-0.87	-2.98	-2.54	
LUMBER AND WOOD.....	5.12	5.11	5.09	5.12	5.09	5.04	4.98	4.82	4.84	4.82	4.78	5.12	5.09	4.87	
% CHG PREV QTR SAAR.....	-0.19	-0.35	-1.43	1.65	-1.60	-3.97	-5.16	-11.76	1.75	-1.66	-3.30	0.60	-0.68	-4.32	
% CHG SAME QTR LAST YR.....	0.26	1.13	-0.82	-0.09	-0.44	-1.36	-2.31	-5.70	-4.91	-4.34	-3.88	0.60	-0.68	-4.32	
FURNITURE AND FIXTURES.....	6.08	5.84	5.87	6.02	6.02	6.18	6.12	6.08	6.15	6.12	6.11	6.20	6.02	6.12	
% CHG PREV QTR SAAR.....	-17.59	-14.82	1.92	10.38	0.00	11.20	-3.71	-2.95	5.13	-1.88	-0.85	-3.38	-2.82	1.60	
% CHG SAME QTR LAST YR.....	-5.44	-9.38	-9.33	-5.73	-1.06	5.76	4.26	0.96	2.23	-0.91	-0.18	-3.38	-2.82	1.60	
STONE,CLAY AND GLASS.....	9.64	9.77	9.79	9.86	9.72	9.81	10.55	9.67	9.54	9.64	8.83	9.67	9.79	9.85	
% CHG PREV QTR SAAR.....	3.06	5.63	0.54	3.15	-5.79	4.04	33.41	-29.44	-4.97	4.13	-29.58	-1.06	1.33	0.56	
% CHG SAME QTR LAST YR.....	-3.94	1.20	1.07	3.08	0.79	0.41	7.77	-1.99	-1.78	-1.76	-16.26	-1.06	1.33	0.56	
PRIMARY METALS.....	10.05	9.74	9.40	9.42	9.16	9.05	9.10	8.99	8.95	8.95	8.77	9.76	9.26	9.00	
% CHG PREV QTR SAAR.....	16.39	-11.94	-13.03	0.50	-10.44	-4.66	2.33	-4.76	-1.89	0.01	-7.82	3.07	-5.15	-2.79	
% CHG SAME QTR LAST YR.....	8.10	3.08	-1.74	-2.71	-8.88	-7.06	-3.20	-4.49	-2.29	-1.11	-3.66	3.07	-5.15	-2.79	
FABRICATED METALS.....	7.53	8.03	7.99	8.05	8.00	7.90	7.94	7.98	7.99	7.87	7.67	7.92	7.99	7.94	
% CHG PREV QTR SAAR.....	-24.56	28.96	-1.93	3.42	-2.40	-5.03	1.90	2.06	0.31	-5.66	-9.69	-3.21	0.84	-0.53	
% CHG SAME QTR LAST YR.....	-8.09	-1.90	-0.71	-0.33	6.29	-1.53	-0.58	-0.91	-0.23	-0.40	-3.36	-3.21	0.84	-0.53	
MACHINERY.....	7.61	7.58	7.54	7.43	7.40	7.41	7.33	7.21	7.23	6.88	7.10	7.58	7.44	7.16	
% CHG PREV QTR SAAR.....	2.31	-1.72	-2.36	-5.79	-1.13	0.46	-4.65	-6.00	1.05	-17.91	13.33	0.44	-1.84	-3.78	
% CHG SAME QTR LAST YR.....	0.54	-0.82	-0.44	-1.93	-2.77	-2.23	-2.81	-2.86	-2.33	-7.14	-3.04	0.44	-1.84	-3.78	
INSTRUMENTS.....	7.59	7.51	7.61	7.62	7.52	7.44	7.51	7.55	7.52	7.55	7.17	7.50	7.55	7.53	
% CHG PREV QTR SAAR.....	7.05	-4.35	5.62	0.29	-4.89	-4.35	3.73	2.41	-2.02	1.96	-18.98	1.62	0.70	-0.22	
% CHG SAME QTR LAST YR.....	2.60	0.58	2.62	2.05	-0.92	-0.92	-1.37	-0.85	-0.11	1.50	-4.58	1.62	0.70	-0.22	

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TABLE 14: TENNESSEE AVERAGE HOURLY EARNINGS
SELECTED NONDURABLE GOODS MANUFACTURING PRODUCTION WORKERS
SEASONALLY ADJUSTED 1982 DOLLARS

	HISTORICAL - DATA											ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
TOTAL NONDURABLE GOODS.....	6.82	6.71	6.79	6.80	6.78	6.79	6.81	6.77	6.75	6.75	6.71	6.82	6.79	6.77
% CHG PREV QTR SAAR.....	-1.89	-6.25	4.62	0.57	-1.31	1.15	0.97	-2.33	-1.13	-0.33	-2.01	-3.51	-0.45	-0.28
% CHG SAME QTR LAST YR.....	-3.60	-4.83	-1.52	-0.82	-0.67	1.23	0.34	-0.39	-0.35	-0.71	-1.45	-3.51	-0.45	-0.28
FOOD.....	6.92	6.97	6.85	6.86	6.82	6.76	6.73	6.70	6.62	6.52	6.49	7.02	6.82	6.64
% CHG PREV QTR SAAR.....	-4.89	2.46	-6.63	0.74	-2.31	-3.27	-2.10	-1.74	-4.48	-6.24	-1.66	-3.15	-2.88	-2.66
% CHG SAME QTR LAST YR.....	-4.17	-4.04	-4.90	-2.15	-1.49	-2.90	-1.74	-2.36	-2.90	-3.66	-3.55	-3.15	-2.88	-2.66
TEXTILES.....	5.67	5.66	5.65	5.75	5.66	5.73	5.77	5.76	5.78	5.72	5.57	5.67	5.70	5.76
% CHG PREV QTR SAAR.....	-0.02	-0.91	-0.40	7.29	-6.33	4.99	3.00	-0.76	1.60	-4.29	-10.03	-1.07	0.47	1.06
% CHG SAME QTR LAST YR.....	-1.15	-0.63	-0.60	1.44	-0.20	1.25	2.10	0.13	2.18	-0.15	-3.47	-1.07	0.47	1.06
APPAREL.....	4.53	4.51	4.51	4.55	4.51	4.49	4.47	4.43	4.48	4.49	4.41	4.56	4.51	4.47
% CHG PREV QTR SAAR.....	-5.01	-2.21	0.58	2.78	-3.24	-2.04	-1.74	-3.34	4.70	1.19	-6.90	-1.30	-1.05	-1.05
% CHG SAME QTR LAST YR.....	-2.03	-2.46	-2.13	-1.01	-0.55	-0.50	-1.08	-2.59	-0.65	0.16	-1.19	-1.30	-1.05	-1.05
PAPER.....	9.04	8.89	9.24	8.91	8.91	8.88	9.07	8.87	6.92	8.97	8.85	9.05	8.99	8.96
% CHG PREV QTR SAAR.....	-5.45	-6.58	16.87	-13.50	0.02	-1.35	8.39	-8.31	2.33	2.40	-5.62	-2.59	-0.64	-0.35
% CHG SAME QTR LAST YR.....	-3.82	-5.41	1.75	-2.79	-1.41	-0.06	-1.93	-0.49	0.08	1.02	-2.42	-2.59	-0.64	-0.35
CHEMICALS.....	9.24	9.15	9.19	9.21	9.07	9.34	9.32	9.19	9.10	8.88	8.67	9.21	9.20	9.12
% CHG PREV QTR SAAR.....	-0.66	-3.65	1.69	0.99	-5.86	12.32	-1.12	-5.45	-3.51	-9.34	-9.22	-2.71	-0.02	-0.89
% CHG SAME QTR LAST YR.....	-1.04	-0.57	0.05	-0.43	-1.76	2.08	1.37	-0.29	0.33	-4.90	-6.91	-2.71	-0.02	-0.89
RUBBER AND PLASTICS.....	8.17	7.88	8.17	8.10	8.23	8.28	8.31	8.35	8.12	8.24	8.29	8.07	8.20	8.26
% CHG PREV QTR SAAR.....	0.38	-13.48	15.47	-2.97	6.46	2.57	1.46	1.55	-10.53	6.29	2.22	-3.12	1.62	0.72
% CHG SAME QTR LAST YR.....	-2.61	-5.82	1.33	-0.68	0.79	5.17	1.83	2.99	-1.39	-0.51	-0.32	-3.12	1.62	0.72
LEATHER.....	5.20	5.02	4.94	4.89	4.88	4.96	5.00	4.95	4.89	4.93	5.02	5.16	4.92	4.94
% CHG PREV QTR SAAR.....	-2.24	-13.04	-6.54	-4.00	-0.46	6.20	3.94	-4.10	-4.72	2.72	8.29	-0.88	-4.79	0.56
% CHG SAME QTR LAST YR.....	-0.72	-4.46	-5.04	-6.55	-6.12	-1.31	1.34	1.32	0.22	-0.61	0.41	-0.88	-4.79	0.56

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TABLE 15: TENNESSEE AVERAGE HOURLY EARNINGS
SELECTED DURABLE GOODS MANUFACTURING PRODUCTION WORKERS
CURRENT DOLLARS

	HISTORICAL - DATA											ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
TOTAL DURABLE GOODS.....	9.37	9.52	9.44	9.39	9.42	9.57	9.70	9.64	9.55	9.62	9.72	9.38	9.45	9.63
% CHG SAME QTR LAST YR.....	2.67	2.59	1.25	0.79	0.57	0.46	2.83	2.70	1.38	0.56	0.17	3.66	0.76	1.86
LUMBER AND WOOD.....	6.17	6.23	6.19	6.32	6.39	6.39	6.32	6.24	6.34	6.38	6.37	6.13	6.32	6.32
% CHG SAME QTR LAST YR.....	5.35	6.14	3.00	3.55	3.51	2.57	2.21	-1.21	-0.78	-0.16	0.69	5.21	3.16	0.00
FURNITURE AND FIXTURES.....	7.27	7.08	7.20	7.48	7.48	7.77	7.85	7.92	7.98	8.03	8.21	7.41	7.48	7.94
% CHG SAME QTR LAST YR.....	-0.68	-5.13	-5.76	-2.14	2.89	9.74	9.12	5.88	6.68	3.30	4.58	1.01	1.00	6.19
STONE, CLAY AND GLASS.....	11.38	11.89	12.20	12.17	11.86	12.42	13.78	12.54	12.09	12.74	12.10	11.55	12.16	12.79
% CHG SAME QTR LAST YR.....	0.38	6.16	5.30	7.10	4.19	4.43	12.92	3.07	1.97	2.55	-12.17	3.47	5.27	5.14
PRIMARY METALS.....	12.16	11.93	11.42	11.51	11.55	11.52	11.55	11.52	11.79	11.89	11.64	11.68	11.50	11.69
% CHG SAME QTR LAST YR.....	13.75	8.09	2.05	0.70	-5.04	-3.41	1.14	0.09	2.08	3.18	0.78	7.84	-1.52	1.62
FABRICATED METALS.....	9.07	9.73	9.84	9.87	10.02	9.95	10.23	10.28	10.43	10.33	10.35	9.47	9.92	10.31
% CHG SAME QTR LAST YR.....	-3.41	2.74	3.07	3.57	10.51	2.19	3.93	4.09	4.06	3.82	1.21	1.23	4.75	3.97
MACHINERY.....	9.11	9.21	9.23	9.20	9.19	9.36	9.40	9.38	9.35	9.07	9.55	9.07	9.25	9.30
% CHG SAME QTR LAST YR.....	5.32	4.07	3.51	1.84	0.84	1.59	1.81	1.92	1.70	-3.10	1.63	5.04	1.94	0.57
INSTRUMENTS.....	9.14	9.05	9.39	9.40	9.41	9.32	9.68	9.78	9.80	9.86	9.68	8.97	9.38	9.78
% CHG SAME QTR LAST YR.....	7.74	5.52	6.47	5.97	2.96	2.98	3.12	4.04	4.15	5.87	-0.03	6.28	4.57	4.29

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 16: TENNESSEE AVERAGE HOURLY EARNINGS
SELECTED NONDURABLE GOODS MANUFACTURING PRODUCTION WORKERS
CURRENT DOLLARS

	HISTORICAL - DATA											ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
TOTAL NONDURABLE GOODS.....	8.22	8.18	8.29	8.37	8.47	8.60	8.70	8.75	8.80	8.91	8.99	8.16	8.43	8.79
% CHG SAME QTR LAST YR.....	1.11	-0.16	2.26	3.04	3.12	5.18	4.99	4.54	3.86	3.57	3.26	0.91	3.40	4.23
FOOD.....	8.30	8.45	8.39	8.49	8.49	8.53	8.63	8.69	8.60	8.58	8.71	8.40	8.47	8.62
% CHG SAME QTR LAST YR.....	0.44	0.71	-1.14	1.52	2.29	0.91	2.86	2.36	1.26	0.55	1.00	1.29	0.88	1.75
TEXTILES.....	6.86	6.87	6.90	7.08	7.12	7.23	7.36	7.43	7.60	7.53	7.44	6.79	7.08	7.48
% CHG SAME QTR LAST YR.....	3.89	4.19	3.19	5.20	3.84	5.19	6.77	4.95	6.69	4.15	1.09	3.48	4.36	5.62
APPAREL.....	5.43	5.46	5.55	5.62	5.61	5.65	5.74	5.74	5.81	5.90	5.94	5.46	5.61	5.80
% CHG SAME QTR LAST YR.....	2.84	2.31	1.59	2.80	3.31	3.42	3.42	2.19	3.62	4.49	3.48	3.22	2.78	3.43
PAPER.....	10.76	10.80	11.37	11.08	10.99	11.21	11.69	11.58	11.43	11.81	11.97	10.82	11.16	11.63
% CHG SAME QTR LAST YR.....	0.65	-0.86	5.87	1.09	2.07	3.83	2.79	4.51	4.07	5.38	2.40	1.87	3.21	4.18
CHEMICALS.....	11.22	11.16	11.14	11.32	11.46	11.83	11.79	11.84	12.00	11.74	11.49	11.01	11.44	11.84
% CHG SAME QTR LAST YR.....	3.92	4.27	3.79	3.41	2.17	6.07	5.90	4.62	4.71	-0.79	-2.57	1.79	3.86	3.56
RUBBER.....	9.76	9.68	9.95	10.00	10.20	10.58	10.61	10.82	10.47	10.98	11.08	9.65	10.18	10.72
% CHG SAME QTR LAST YR.....	2.09	-1.16	5.14	3.31	4.54	9.26	6.56	8.20	2.65	3.78	4.46	1.31	5.56	5.26
LEATHER.....	6.22	5.99	6.13	6.09	6.06	6.14	6.51	6.48	6.32	6.36	6.85	6.17	6.10	6.42
% CHG SAME QTR LAST YR.....	4.07	0.11	-1.18	-2.97	-2.63	2.51	6.20	6.29	4.35	3.69	5.27	3.68	-1.11	5.13

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 17: TENNESSEE PERSON-HOURS PER WEEK
SELECTED DURABLE GOODS MANUFACTURING
THOUSANDS

	HISTORICAL - DATA											ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
TOTAL DURABLE GOODS.....	10012	10692	10484	10768	10620	10975	10722	10954	10846	10554	9864	10250	10712	10769
% CHG SAME QTR LAST YR.....	0.61	6.06	3.92	5.48	6.08	2.65	2.27	1.73	2.13	-3.83	-8.00	2.84	4.50	0.54
LUMBER AND WOOD.....	895	906	849	932	932	873	825	866	859	807	796	865	897	840
% CHG SAME QTR LAST YR.....	14.98	18.02	6.90	7.88	4.15	-3.63	-2.80	-7.08	-7.84	-7.53	-3.49	15.42	3.68	-6.37
FURNITURE AND FIXTURES.....	964	1041	978	1008	1016	1100	1037	1081	1080	1034	945	994	1026	1058
% CHG SAME QTR LAST YR.....	0.50	7.67	-0.20	1.90	5.36	5.64	6.04	7.26	6.32	-6.02	-8.88	3.51	3.20	3.17
STONE,CLAY AND GLASS.....	687	713	614	661	674	724	618	652	662	643	569	699	668	644
% CHG SAME QTR LAST YR.....	-2.82	4.95	-11.94	-5.56	-1.89	1.66	0.65	-1.28	-1.84	-11.25	-7.84	2.10	-4.41	-3.68
PRIMARY METALS.....	658	671	663	668	687	711	689	676	667	634	624	676	682	666
% CHG SAME QTR LAST YR.....	-6.37	-4.52	-4.78	-1.52	4.50	5.95	3.98	1.26	-2.99	-10.91	-9.40	-2.71	0.96	-2.32
FABRICATED METALS.....	1560	1762	1728	1775	1785	1771	1765	1779	1770	1749	1684	1663	1765	1766
% CHG SAME QTR LAST YR.....	-3.56	6.91	4.61	5.90	14.45	0.48	2.16	0.21	-0.83	-1.24	-4.57	2.37	6.15	0.06
MACHINERY.....	2992	3188	3218	3239	3060	3224	3241	3372	3379	3249	3173	3068	3185	3310
% CHG SAME QTR LAST YR.....	0.91	4.82	5.49	6.54	2.29	1.11	0.72	4.12	10.40	0.79	-2.11	0.09	3.83	3.93
INSTRUMENTS.....	383	387	407	401	423	429	434	438	445	451	459	377	415	442
% CHG SAME QTR LAST YR.....	-1.75	-4.78	8.76	10.60	10.41	10.92	6.75	9.34	5.29	4.97	5.78	-3.25	10.18	6.54

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 18: TENNESSEE PERSON-HOURS PER WEEK
SELECTED NONDURABLE GOODS MANUFACTURING
THOUSANDS

	HISTORICAL - DATA											ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
TOTAL NONDURABLE GOODS.....	10548	10807	10616	10491	10591	10604	10394	10597	10827	10613	10334	10431	10575	10608
% CHG SAME QTR LAST YR.....	2.26	3.91	4.25	3.00	0.41	-1.88	-2.09	1.01	2.22	0.08	-0.58	1.89	1.39	0.30
FOOD.....	1635	1590	1618	1600	1585	1622	1556	1569	1593	1588	1573	1582	1607	1577
% CHG SAME QTR LAST YR.....	0.98	0.45	5.03	2.52	-3.07	1.99	-3.82	-1.99	0.47	-2.08	1.08	1.26	1.55	-1.87
TEXTILES.....	1005	1041	1000	934	918	912	927	954	936	924	896	1011	941	935
% CHG SAME QTR LAST YR.....	4.92	2.72	-1.07	-5.37	-8.65	-12.41	-7.38	2.09	1.97	1.38	-3.30	5.72	-6.92	-0.63
APPAREL.....	2443	2652	2511	2479	2451	2468	2389	2478	2486	2414	2324	2476	2477	2442
% CHG SAME QTR LAST YR.....	3.55	8.66	5.93	1.66	0.30	-6.96	-4.88	-0.04	1.43	-2.18	-2.73	3.53	0.04	-1.43
PAPER.....	881	886	848	877	953	917	877	946	1043	1010	947	846	899	959
% CHG SAME QTR LAST YR.....	5.22	10.57	8.38	5.33	8.19	3.41	3.52	7.79	9.46	10.16	8.00	4.73	6.28	7.83
CHEMICALS.....	1588	1570	1628	1611	1641	1637	1621	1650	1686	1630	1689	1563	1629	1647
% CHG SAME QTR LAST YR.....	1.36	0.85	4.99	4.29	3.39	4.25	-0.41	2.42	2.72	-0.43	4.19	0.83	4.22	1.08
RUBBER.....	1043	1143	1114	1117	1064	1139	1149	1145	1131	1156	1127	1055	1109	1145
% CHG SAME QTR LAST YR.....	-0.45	9.00	9.71	9.39	2.02	-0.30	3.11	2.54	6.30	1.45	-1.88	-0.04	5.02	3.30
LEATHER.....	397	385	363	361	381	376	357	388	392	376	332	380	370	379
% CHG SAME QTR LAST YR.....	-1.53	-0.27	3.07	-5.76	-4.15	-2.29	-1.66	7.47	3.03	-0.05	-7.07	-3.89	-2.41	2.18

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 19: TENNESSEE PERSON-HOURS PER WEEK
SELECTED DURABLE GOODS MANUFACTURING
SEASONALLY ADJUSTED (THOUSANDS)

	HISTORICAL - DATA											ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
TOTAL DURABLE GOODS.....	10080	10551	10637	10702	10669	10828	10879	10907	10881	10411	10014	10247	10709	10769
% CHG PREV QTR SAAR.....	-1.59	20.02	3.32	2.46	-1.22	6.07	1.89	1.05	-0.96	-16.19	-14.39	2.83	4.51	0.56
% CHG SAME QTR LAST YR.....	0.46	6.02	3.89	5.75	5.85	2.63	2.27	1.92	1.98	-3.85	-7.95	2.83	4.51	0.56
LUMBER AND WOOD.....	869	916	887	911	905	883	859	849	833	816	829	865	896	839
% CHG PREV QTR SAAR.....	13.80	23.71	-11.91	10.83	-2.52	-9.25	-10.33	-4.64	-7.28	-8.04	6.37	15.45	3.63	-6.36
% CHG SAME QTR LAST YR.....	15.08	18.15	6.34	8.28	4.17	-3.60	-3.17	-6.74	-7.90	-7.59	-3.56	15.45	3.63	-6.36
FURNITURE AND FIXTURES.....	975	1006	1004	1010	1021	1064	1067	1085	1080	1001	975	993	1025	1058
% CHG PREV QTR SAAR.....	-4.79	13.41	-1.13	2.44	4.48	18.10	1.17	6.85	-1.86	-26.29	-10.06	3.45	3.18	3.29
% CHG SAME QTR LAST YR.....	0.03	7.58	0.06	2.26	4.67	5.73	6.34	7.47	5.80	-5.96	-8.69	3.45	3.18	3.29
STONE, CLAY AND GLASS.....	674	689	654	656	662	697	660	648	649	617	610	699	667	644
% CHG PREV QTR SAAR.....	-10.80	9.44	-19.24	1.59	3.42	23.24	-19.55	-7.00	0.69	-18.73	-4.36	2.20	-4.57	-3.51
% CHG SAME QTR LAST YR.....	-2.70	4.25	-11.61	-5.40	-1.83	1.12	1.03	-1.18	-1.84	-11.54	-7.63	2.20	-4.57	-3.51
PRIMARY METALS.....	663	663	663	672	691	703	691	679	670	626	627	675	682	666
% CHG PREV QTR SAAR.....	-11.16	0.32	-0.33	5.82	11.60	7.28	-6.84	-6.31	-5.67	-23.48	0.27	-2.69	0.98	-2.28
% CHG SAME QTR LAST YR.....	-6.61	-4.67	-4.47	-1.54	4.24	6.00	4.23	1.10	-3.06	-10.91	-9.25	-2.69	0.98	-2.28
FABRICATED METALS.....	1563	1749	1741	1772	1786	1761	1777	1778	1768	1741	1696	1663	1765	1766
% CHG PREV QTR SAAR.....	-23.65	56.99	-1.84	7.40	3.04	-5.42	3.65	0.17	-2.13	-6.07	-9.80	2.34	6.12	0.04
% CHG SAME QTR LAST YR.....	-3.66	7.32	4.27	6.02	14.28	0.68	2.06	0.29	-0.99	-1.16	-4.54	2.34	6.12	0.04
MACHINERY.....	3073	3169	3204	3189	3142	3204	3223	3324	3471	3229	3154	3068	3185	3312
% CHG PREV QTR SAAR.....	11.95	13.18	4.40	-1.79	-5.80	8.14	2.41	13.06	18.89	-25.06	-8.96	0.10	3.81	3.98
% CHG SAME QTR LAST YR.....	1.02	4.72	5.32	6.76	2.25	1.09	0.61	4.21	10.46	0.78	-2.14	0.10	3.81	3.98
INSTRUMENTS.....	380	384	409	405	420	426	436	443	442	448	461	377	415	442
% CHG PREV QTR SAAR.....	16.59	3.42	29.50	-3.78	15.37	5.83	9.74	6.65	-0.61	4.72	12.41	-3.24	10.18	6.54
% CHG SAME QTR LAST YR.....	-1.71	-4.73	8.53	10.71	10.42	11.06	6.56	9.33	5.33	5.06	5.69	-3.24	10.18	6.54

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 20: TENNESSEE PERSON-HOURS PER WEEK
SELECTED NONDURABLE GOODS MANUFACTURING
SEASONALLY ADJUSTED (THOUSANDS)

	HISTORICAL - DATA											ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
TOTAL NONDURABLE GOODS.....	10467	10687	10764	10552	10496	10499	10522	10678	10718	10513	10459	10431	10578	10608
% CHG PREV QTR SAAR.....	9.90	8.66	2.91	-7.65	-2.08	0.09	0.87	6.07	1.52	-7.44	-2.03	1.90	1.40	0.28
% CHG SAME QTR LAST YR.....	2.28	3.93	4.02	3.22	0.28	-1.76	-2.25	1.19	2.11	0.13	-0.59	1.90	1.40	0.28
FOOD.....	1603	1592	1645	1604	1559	1623	1576	1574	1570	1588	1589	1583	1608	1577
% CHG PREV QTR SAAR.....	10.77	-2.72	14.17	-9.68	-10.81	17.51	-11.10	-0.38	-1.12	4.72	0.36	1.27	1.58	-1.91
% CHG SAME QTR LAST YR.....	1.40	0.44	4.51	2.67	-2.75	1.96	-4.22	-1.84	0.72	-2.14	0.87	1.27	1.58	-1.91
TEXTILES.....	1008	1026	1002	943	922	900	925	963	940	913	894	1012	942	936
% CHG PREV QTR SAAR.....	4.84	7.15	-8.98	-21.31	-9.00	-9.07	11.89	17.44	-9.41	-10.88	-8.18	5.75	-6.91	-0.65
% CHG SAME QTR LAST YR.....	5.06	2.88	-1.44	-5.29	-8.58	-12.26	-7.61	2.12	2.00	1.49	-3.40	5.75	-6.91	-0.65
APPAREL.....	2456	2593	2567	2471	2462	2414	2436	2477	2494	2362	2367	2476	2478	2442
% CHG PREV QTR SAAR.....	5.80	24.44	-4.04	-14.15	-1.38	-7.67	3.69	6.95	2.79	-19.50	0.88	3.48	0.10	-1.46
% CHG SAME QTR LAST YR.....	3.78	8.60	5.47	2.05	0.27	-6.94	-5.12	0.24	1.29	-2.13	-2.80	3.48	0.10	-1.46
PAPER.....	844	880	884	887	910	910	915	959	994	1002	989	845	898	968
% CHG PREV QTR SAAR.....	2.04	18.11	2.05	1.12	11.03	-0.17	2.40	20.45	15.39	3.38	-5.22	4.69	6.29	7.76
% CHG SAME QTR LAST YR.....	4.87	10.55	8.49	5.60	7.86	3.41	3.50	8.13	9.18	10.13	8.03	4.69	6.29	7.76
CHEMICALS.....	1571	1576	1634	1617	1622	1645	1626	1658	1665	1639	1693	1563	1630	1647
% CHG PREV QTR SAAR.....	5.74	1.43	15.38	-3.99	1.23	5.77	-4.67	8.12	1.91	-6.20	13.89	0.82	4.23	1.06
% CHG SAME QTR LAST YR.....	1.27	0.91	4.90	4.40	3.27	4.36	-0.50	2.50	2.67	-0.37	4.16	0.82	4.23	1.06
RUBBER.....	1062	1119	1112	1123	1084	1115	1146	1152	1152	1131	1124	1055	1108	1145
% CHG PREV QTR SAAR.....	15.46	23.45	-2.66	3.99	-13.27	12.07	11.75	2.10	-0.17	-7.05	-2.28	-0.07	5.04	3.34
% CHG SAME QTR LAST YR.....	-0.38	8.84	9.60	9.60	2.03	-0.41	3.09	2.62	6.29	1.44	-1.91	-0.07	5.04	3.34
LEATHER.....	385	381	382	360	369	371	376	388	380	370	349	379	370	378
% CHG PREV QTR SAAR.....	4.27	-4.77	0.90	-20.56	10.07	2.01	5.44	13.72	-8.23	-9.78	-20.69	-3.99	-2.27	2.17
% CHG SAME QTR LAST YR.....	-1.64	-0.88	3.56	-5.55	-4.26	-2.60	-1.53	7.71	2.93	-0.18	-7.04	-3.99	-2.27	2.17

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 21: TENNESSEE AVERAGE WEEKLY HOURS
SELECTED DURABLE GOODS MANUFACTURING PRODUCTION WORKERS

	HISTORICAL - DATA											ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
TOTAL DURABLE GOODS.....	41.2	42.9	42.3	42.4	41.5	42.5	41.2	41.6	41.5	40.6	38.0	41.9	42.2	41.2
% CHG SAME QTR LAST-YR.....	-0.88	2.47	1.12	1.44	0.73	-1.09	-2.52	-1.97	0.08	-4.47	-7.85	0.68	0.54	-2.23
LUMBER AND WOOD.....	40.6	41.0	40.0	42.8	42.0	40.9	39.5	40.2	40.5	39.1	38.4	40.7	41.5	39.9
% CHG SAME QTR LAST YR.....	-0.33	0.57	-0.66	5.07	3.36	-0.16	-1.25	-6.07	-3.49	-4.40	-2.87	0.89	1.91	-3.84
FURNITURE AND FIXTURES.....	39.1	41.0	38.1	39.1	39.2	41.6	38.5	38.9	39.0	36.5	33.9	40.2	39.5	38.2
% CHG SAME QTR LAST YR.....	-0.59	3.71	-5.77	-2.58	0.34	1.38	1.05	-0.34	-0.59	-12.11	-12.03	2.38	-1.66	-3.17
STONE,CLAY AND GLASS.....	44.7	46.2	43.3	45.7	44.5	47.0	42.0	44.1	45.0	44.3	40.1	45.8	45.1	43.9
% CHG SAME QTR LAST YR.....	-2.61	3.59	-5.73	-1.86	-0.60	1.88	-3.00	-3.50	1.27	-5.74	-4.60	0.79	-1.58	-2.79
PRIMARY METALS.....	42.3	43.6	43.7	43.1	43.4	43.7	43.4	42.6	42.7	41.3	41.5	43.0	43.5	42.5
% CHG SAME QTR LAST YR.....	-1.55	0.23	1.08	0.39	2.52	0.31	-0.61	-1.08	-1.54	-5.49	-4.37	0.19	1.07	-2.19
FABRICATED METALS.....	40.9	42.4	41.7	42.2	41.9	41.7	41.4	41.4	41.2	40.8	39.6	41.6	41.9	41.2
% CHG SAME QTR LAST YR.....	-1.29	1.52	0.40	0.96	2.53	-1.65	-0.56	-1.74	-1.83	-2.08	-4.42	0.28	0.54	-1.55
MACHINERY.....	42.1	43.4	43.6	42.8	40.7	41.6	41.1	41.7	41.8	41.2	40.3	42.5	42.2	41.5
% CHG SAME QTR LAST YR.....	0.96	2.68	3.16	0.86	-3.25	-4.07	-5.66	-2.49	2.70	-1.12	-1.95	0.59	-0.84	-1.72
INSTRUMENTS.....	40.3	40.9	42.5	41.2	42.2	42.0	41.4	41.2	41.5	42.0	41.3	40.4	42.0	41.5
% CHG SAME QTR LAST YR.....	-1.06	-1.76	4.59	3.78	4.55	2.61	-2.74	0.08	-1.58	0.08	-0.24	-0.39	3.88	-1.05

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 22: TENNESSEE AVERAGE WEEKLY HOURS
SELECTED NONDURABLE GOODS MANUFACTURING PRODUCTION WORKERS

	HISTORICAL - DATA											ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
TOTAL NONDURABLE GOODS.....	41.2	41.9	41.3	40.9	40.9	41.0	40.5	40.5	40.7	39.9	39.2	41.2	41.0	40.4
% CHG SAME QTR LAST YR.....	0.65	1.29	0.40	0.74	-0.89	-2.07	-1.94	-0.98	-0.33	-2.68	-3.21	1.15	-0.47	-1.48
FOOD.....	41.3	41.1	41.6	40.9	40.2	41.0	40.6	40.5	40.8	40.8	40.9	40.9	40.9	40.7
% CHG SAME QTR LAST YR.....	0.98	1.15	3.23	0.16	-2.74	-0.24	-2.48	-0.98	1.41	-0.57	0.82	0.61	0.08	-0.67
TEXTILES.....	41.7	42.8	41.6	39.7	40.8	40.7	41.8	41.8	41.7	41.2	40.7	42.1	40.7	41.6
% CHG SAME QTR LAST YR.....	0.56	0.47	-2.58	-4.03	-2.16	-4.98	0.56	5.37	2.12	1.23	-2.71	1.89	-3.44	2.29
APPAREL.....	37.5	39.3	37.8	38.4	37.8	38.3	37.5	38.2	38.1	36.5	35.8	38.3	38.1	37.6
% CHG SAME QTR LAST YR.....	-0.27	2.70	-0.87	0.87	0.71	-2.63	-0.79	-0.61	0.71	-4.79	-4.62	2.04	-0.50	-1.38
PAPER.....	45.4	45.9	45.4	44.8	46.0	46.3	45.1	45.5	46.6	46.5	44.1	44.8	45.6	45.9
% CHG SAME QTR LAST YR.....	2.87	4.08	3.73	1.74	1.40	0.80	-0.73	1.56	1.16	0.36	-2.22	1.76	1.90	0.58
CHEMICALS.....	42.3	42.1	42.7	42.1	42.3	42.3	41.9	42.2	42.4	41.2	42.2	41.8	42.3	41.9
% CHG SAME QTR LAST YR.....	2.25	1.12	3.05	2.02	-0.16	0.48	-1.87	0.16	0.32	-2.52	0.64	2.10	1.34	-0.98
RUBBER.....	43.2	46.3	45.5	44.0	41.1	43.3	43.0	41.7	40.8	42.0	41.1	44.1	43.5	41.9
% CHG SAME QTR LAST YR.....	-0.31	4.44	3.88	-1.77	-4.94	-6.48	-5.64	-5.30	-0.73	-2.85	-4.27	1.09	-1.51	-3.70
LEATHER.....	41.5	40.8	39.2	39.9	41.1	39.9	39.4	40.6	39.6	38.0	34.7	41.0	40.0	39.4
% CHG SAME QTR LAST YR.....	5.68	1.49	-1.01	-4.71	-1.04	-2.29	0.51	1.85	-3.56	-4.76	-11.92	4.89	-2.28	-1.52

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 23: TENNESSEE AVERAGE WEEKLY HOURS
SELECTED DURABLE GOODS MANUFACTURING PRODUCTION WORKERS
SEASONALLY ADJUSTED

	HISTORICAL - DATA											ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
TOTAL DURABLE GOODS.....	41.5	42.3	42.7	42.4	41.7	41.9	41.6	41.6	41.6	40.0	38.4	41.9	42.2	41.2
% CHG PREV QTR SAAR.....	-2.05	8.55	3.19	-2.76	-6.35	1.77	-2.27	-0.31	0.46	-15.00	-15.03	0.67	0.55	-2.22
% CHG SAME QTR LAST YR.....	-1.04	2.39	1.18	1.63	0.50	-1.11	-2.44	-1.83	-0.10	-4.49	-7.78	0.67	0.55	-2.22
LUMBER AND WOOD.....	40.3	41.0	40.7	42.5	41.5	41.0	40.2	40.0	40.0	39.2	39.0	40.7	41.4	39.9
% CHG PREV QTR SAAR.....	-1.52	7.79	-3.03	19.12	-9.07	-5.05	-7.72	-1.56	-0.29	-7.60	-1.74	0.89	1.88	-3.83
% CHG SAME QTR LAST YR.....	-0.47	0.68	-0.72	5.23	3.15	-0.07	-1.30	-5.89	-3.70	-4.35	-2.84	0.89	1.88	-3.83
FURNITURE AND FIXTURES.....	39.3	39.8	39.1	39.3	39.1	40.4	39.6	39.2	38.7	35.5	34.9	40.1	39.5	38.3
% CHG PREV QTR SAAR.....	-8.76	5.87	-7.40	2.07	-1.13	13.37	-7.81	-3.90	-4.46	-29.37	-6.90	2.39	-1.69	-3.06
% CHG SAME QTR LAST YR.....	-1.02	3.60	-5.52	-2.25	-0.27	1.45	1.34	-0.18	-1.03	-12.07	-11.85	2.39	-1.69	-3.06
STONE, CLAY AND GLASS.....	44.5	45.2	45.2	45.1	44.3	45.8	44.0	43.5	44.8	43.1	42.1	45.8	45.1	43.9
% CHG PREV QTR SAAR.....	-11.38	6.27	0.20	-1.31	-6.92	15.17	-15.21	-4.37	12.48	-14.22	-9.53	0.81	-1.63	-2.74
% CHG SAME QTR LAST YR.....	-2.41	3.01	-5.42	-1.77	-0.55	1.47	-2.68	-3.45	1.23	-5.95	-4.41	0.81	-1.63	-2.74
PRIMARY METALS.....	42.5	43.4	43.5	43.3	43.5	43.5	43.3	42.8	42.9	41.1	41.4	43.0	43.5	42.5
% CHG PREV QTR SAAR.....	-5.76	8.20	1.80	-2.18	2.13	-0.22	-1.84	-4.57	0.47	-15.17	3.05	0.20	1.08	-2.18
% CHG SAME QTR LAST YR.....	-1.59	0.17	1.17	0.38	2.42	0.37	-0.54	-1.16	-1.56	-5.47	-4.32	0.20	1.08	-2.18
FABRICATED METALS.....	41.0	42.1	41.9	42.1	42.0	41.4	41.7	41.4	41.1	40.6	39.9	41.6	41.9	41.2
% CHG PREV QTR SAAR.....	-6.08	10.76	-1.73	2.15	-1.54	-4.96	2.47	-2.55	-2.81	-5.05	-6.96	0.28	0.53	-1.55
% CHG SAME QTR LAST YR.....	-1.55	1.70	0.35	1.09	2.29	-1.55	-0.52	-1.68	-2.00	-2.02	-4.36	0.28	0.53	-1.55
MACHINERY.....	42.8	43.1	43.4	42.5	41.4	41.4	40.9	41.4	42.6	40.9	40.1	42.6	42.2	41.5
% CHG PREV QTR SAAR.....	6.40	3.31	2.93	-8.41	-9.79	-0.26	-4.38	5.15	11.27	-14.56	-7.77	0.59	-0.85	-1.70
% CHG SAME QTR LAST YR.....	1.08	2.71	3.01	0.89	-3.16	-4.03	-5.78	-2.47	2.78	-1.12	-2.01	0.59	-0.85	-1.70
INSTRUMENTS.....	40.2	40.5	42.7	41.5	42.1	41.6	41.5	41.5	41.4	41.6	41.4	40.4	42.0	41.5
% CHG PREV QTR SAAR.....	1.82	2.77	24.04	-10.78	5.35	-4.76	-0.32	0.16	-1.21	1.98	-2.14	-0.38	3.89	-1.05
% CHG SAME QTR LAST YR.....	-0.97	-1.76	4.53	3.74	4.62	2.65	-2.81	0.04	-1.55	0.15	-0.31	-0.38	3.89	-1.05

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TABLE 24: TENNESSEE AVERAGE WEEKLY HOURS
SELECTED NONDURABLE GOODS MANUFACTURING PRODUCTION WORKERS
SEASONALLY ADJUSTED

	HISTORICAL - DATA											ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
TOTAL NONDURABLE GOODS.....	41.1	41.6	41.6	41.1	40.7	40.7	40.7	40.8	40.5	39.7	39.4	41.2	41.0	40.4
% CHG PREV QTR SAAR.....	4.00	4.63	-0.06	-4.52	-3.74	0.42	-0.35	0.47	-2.24	-8.16	-2.90	1.15	-0.46	-1.49
% CHG SAME QTR LAST YR.....	0.60	1.33	0.22	0.94	-0.99	-2.00	-2.07	-0.82	-0.43	-2.63	-3.26	1.15	-0.46	-1.49
FOOD.....	41.2	41.2	41.7	40.9	40.1	41.1	40.6	40.5	40.7	40.9	40.9	40.9	41.0	40.7
% CHG PREV QTR SAAR.....	4.99	-0.28	5.55	-8.18	-7.21	10.37	-4.96	-0.43	1.33	2.06	-0.28	0.61	0.08	-0.69
% CHG SAME QTR LAST YR.....	1.08	1.22	2.87	0.37	-2.69	-0.19	-2.77	-0.78	1.43	-0.54	0.66	0.61	0.08	-0.69
TEXTILES.....	41.7	42.4	41.5	40.2	40.8	40.3	41.7	42.4	41.6	40.8	40.5	42.2	40.7	41.6
% CHG PREV QTR SAAR.....	-1.59	6.82	-7.72	-11.96	5.45	-4.24	14.04	7.54	-7.57	-7.04	-3.44	1.91	-3.45	2.29
% CHG SAME QTR LAST YR.....	0.49	0.67	-2.90	-3.87	-2.20	-4.83	0.34	5.49	2.07	1.32	-2.81	1.91	-3.45	2.29
APPAREL.....	37.5	38.9	38.4	38.3	37.8	37.9	38.0	38.2	38.0	36.1	36.3	38.3	38.1	37.6
% CHG PREV QTR SAAR.....	-3.74	15.44	-4.96	-0.91	-5.62	1.23	1.69	1.31	-1.91	-18.60	2.19	2.06	-0.51	-1.38
% CHG SAME QTR LAST YR.....	-0.20	2.72	-1.16	1.15	0.65	-2.60	-0.94	-0.39	0.57	-4.76	-4.65	2.06	-0.51	-1.38
PAPER.....	45.1	45.4	45.7	45.4	45.7	45.7	45.4	46.2	46.1	45.9	44.4	44.8	45.6	45.9
% CHG PREV QTR SAAR.....	4.17	3.29	2.74	-2.67	2.12	0.49	-2.52	6.93	-0.38	-2.53	-11.82	1.74	1.91	0.60
% CHG SAME QTR LAST YR.....	2.83	3.87	3.87	1.85	1.34	0.65	-0.66	1.70	1.07	0.30	-2.18	1.74	1.91	0.60
CHEMICALS.....	42.1	42.0	42.8	42.3	42.0	42.3	42.0	42.4	42.1	41.3	42.2	41.8	42.4	41.9
% CHG PREV QTR SAAR.....	7.07	-0.84	7.32	-4.51	-2.69	2.65	-3.18	4.38	-2.61	-8.08	9.55	2.10	1.35	-0.99
% CHG SAME QTR LAST YR.....	2.16	1.18	2.98	2.13	-0.28	0.59	-1.97	0.24	0.26	-2.47	0.59	2.10	1.35	-0.99
RUBBER AND PLASTICS.....	44.1	45.4	45.1	44.4	42.0	42.4	42.5	42.1	41.7	41.2	40.7	44.1	43.5	41.9
% CHG PREV QTR SAAR.....	5.55	12.04	-2.98	-5.96	-19.88	4.02	1.19	-4.40	-3.38	-4.90	-4.47	1.07	-1.51	-3.68
% CHG SAME QTR LAST YR.....	-0.20	4.25	-2.80	1.92	-4.87	-6.62	-5.63	-5.24	-0.70	-2.90	-4.29	1.07	-1.51	-3.68
LEATHER.....	41.0	40.7	40.3	39.4	40.6	39.7	40.6	40.2	39.0	37.8	35.8	40.9	40.0	39.4
% CHG PREV QTR SAAR.....	-2.56	-3.37	-3.40	-9.02	12.16	-7.96	9.27	-4.01	-11.18	-11.62	-20.17	4.90	-2.25	-1.47
% CHG SAME QTR LAST YR.....	5.45	1.34	-0.74	-4.63	-1.21	-2.40	0.65	2.01	-3.77	-4.74	-11.93	4.90	-2.25	-1.47

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 25: TENNESSEE AVERAGE WEEKLY EARNINGS
SELECTED DURABLE GOODS MANUFACTURING PRODUCTION WORKERS
1982 DOLLARS

	HISTORICAL - DATA											ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
TOTAL DURABLE GOODS.....	320.9	336.5	326.4	322.4	313.1	321.7	312.6	309.5	304.7	296.1	275.4	329.0	320.9	305.7
% CHG SAME QTR LAST YR.....	-2.98	0.18	-1.47	-1.49	-2.43	-4.41	-4.24	-3.99	-2.67	-7.95	-11.89	-0.20	-2.46	-4.72
LUMBER AND WOOD.....	208.4	210.1	202.7	219.2	214.8	207.0	195.5	194.0	197.3	189.3	182.4	208.4	210.9	194.0
% CHG SAME QTR LAST YR.....	0.12	1.74	-1.54	4.84	3.05	-1.49	-3.57	-11.51	-8.15	-8.53	-6.65	1.47	1.22	-8.01
FURNITURE AND FIXTURES.....	236.3	239.0	224.4	236.5	235.0	255.8	236.4	238.0	239.0	222.6	207.6	248.8	237.9	234.0
% CHG SAME QTR LAST YR.....	-5.87	-6.23	-14.54	-8.13	-0.56	7.03	5.36	0.63	1.73	-13.00	-12.19	-1.08	-4.39	-1.65
STONE, CLAY AND GLASS.....	423.3	451.9	432.7	449.9	422.2	462.5	452.9	426.7	418.3	428.4	362.2	443.0	441.8	431.6
% CHG SAME QTR LAST YR.....	-6.79	4.81	-4.39	1.28	-0.25	2.35	4.65	-5.15	-0.94	-7.37	-20.02	-0.28	-0.26	-2.33
PRIMARY METALS.....	428.0	428.1	408.5	401.3	401.3	399.0	392.3	378.8	387.0	372.9	360.9	419.9	402.5	382.8
% CHG SAME QTR LAST YR.....	6.77	3.26	-0.73	-2.59	-6.24	-6.80	-3.96	-5.58	-3.58	-6.55	-8.02	3.26	-4.13	-4.91
FABRICATED METALS.....	308.3	339.4	335.5	337.1	336.4	328.1	331.3	328.8	329.7	319.7	305.9	329.8	334.3	327.4
% CHG SAME QTR LAST YR.....	-9.09	-0.59	-0.41	0.75	9.13	-3.32	-1.26	-2.46	-2.00	-2.58	-7.68	-2.91	1.37	-2.07
MACHINERY.....	318.9	329.0	329.2	318.9	299.7	308.4	302.1	302.3	300.3	283.2	287.3	322.6	314.1	297.0
% CHG SAME QTR LAST YR.....	1.38	1.85	2.76	-1.02	-6.03	-6.25	-8.24	-5.22	0.20	-8.18	-4.88	1.03	-2.65	-5.45
INSTRUMENTS.....	306.3	304.5	326.7	313.4	317.6	309.6	313.1	311.3	312.3	314.3	298.0	302.9	316.8	312.7
% CHG SAME QTR LAST YR.....	1.64	-1.20	7.16	5.97	3.67	1.65	-4.17	-0.70	-1.67	1.53	-4.82	1.21	4.60	-1.29

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TABLE 26: TENNESSEE AVERAGE WEEKLY EARNINGS
SELECTED NONDURABLE GOODS MANUFACTURING PRODUCTION WORKERS
1982 DOLLARS

	HISTORICAL - DATA											ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
TOTAL NONDURABLE GOODS.....	281.6	282.0	280.4	277.0	277.2	279.4	275.8	273.4	275.3	269.9	263.1	281.1	278.5	273.6
% CHG SAME QTR LAST YR.....	-2.97	-3.62	-1.19	0.02	-1.56	-0.91	-1.63	-1.28	-0.70	-3.42	-4.61	-2.41	-0.92	-1.76
FOOD.....	285.3	286.2	285.5	281.3	273.4	277.1	273.6	271.9	269.3	265.5	266.0	287.3	279.3	270.1
% CHG SAME QTR LAST YR.....	-3.30	-2.91	-1.79	-2.02	-4.18	-3.16	-4.16	-3.34	-1.50	-4.20	-2.80	-2.56	-2.78	-3.31
TEXTILES.....	237.8	242.3	234.6	227.5	232.7	233.0	240.6	239.9	243.2	235.4	225.9	239.1	231.9	239.8
% CHG SAME QTR LAST YR.....	-0.39	-0.23	-3.25	-2.71	-2.14	-3.85	2.58	5.46	4.52	1.03	-6.13	0.82	-3.00	3.38
APPAREL.....	169.4	176.8	171.8	174.9	169.8	171.2	168.4	169.4	170.0	163.2	158.6	174.6	171.9	167.8
% CHG SAME QTR LAST YR.....	-2.21	0.14	-3.09	-0.07	0.22	-3.13	-1.97	-3.13	0.11	-4.67	-5.79	0.72	-1.54	-2.42
PAPER.....	406.2	408.2	422.4	402.2	404.9	410.9	411.8	407.2	408.9	416.5	393.5	405.0	410.1	411.1
% CHG SAME QTR LAST YR.....	-1.28	-1.65	5.68	-0.89	-0.31	0.68	-2.52	1.23	0.99	1.35	-4.43	-0.90	1.27	0.23
CHEMICALS.....	394.7	386.3	389.4	386.2	387.6	396.0	386.7	385.9	390.8	367.0	361.8	384.8	389.9	382.6
% CHG SAME QTR LAST YR.....	1.32	0.49	2.93	1.65	-1.75	2.52	-0.72	-0.07	0.77	-7.33	-6.42	-0.62	1.31	-1.87
RUBBER.....	350.4	368.6	370.9	356.5	335.4	362.3	356.3	348.4	327.8	350.1	340.1	355.9	356.3	345.7
% CHG SAME QTR LAST YR.....	-2.96	-1.61	5.11	1.31	-4.28	-1.70	-3.92	-2.28	-2.25	-3.38	-4.55	-2.10	0.09	-2.98
LEATHER.....	214.7	201.2	196.6	196.7	199.3	193.9	200.5	203.1	192.4	183.5	177.5	211.4	196.6	194.9
% CHG SAME QTR LAST YR.....	4.86	-3.16	-5.86	-10.91	-7.19	-3.64	1.98	3.24	-3.47	-5.36	-11.50	4.01	-6.99	-0.90

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 27: TENNESSEE AVERAGE WEEKLY EARNINGS
SELECTED DURABLE GOODS MANUFACTURING PRODUCTION WORKERS
SEASONALLY ADJUSTED 1982 DOLLARS

	HISTORICAL - DATA											ANNUAL		
	1987U3	1987Q4	1988Q1	1988Q2	1988Q3	1988Q4	1989Q1	1989Q2	1989Q3	1989Q4	1990Q1	1987	1988	1989
TOTAL DURABLE GOODS.....	324.2	330.4	328.5	323.4	315.7	315.8	314.9	310.8	306.8	290.7	277.7	328.9	320.8	305.8
% CHG PREV QTR SAAR.....	-4.25	7.83	-2.32	-6.04	-9.23	0.19	-1.16	-5.16	-5.06	-19.32	-16.80	-0.20	-2.45	-4.69
% CHG SAME QTR LAST YR.....	-3.13	0.11	-1.39	-1.33	-2.64	-4.42	-4.13	-3.91	-2.83	-7.95	-11.83	-0.20	-2.45	-4.69
LUMBER AND WOOD.....	206.0	209.8	207.4	217.6	211.6	206.8	200.0	193.1	193.8	189.2	186.8	208.3	210.8	194.0
% CHG PREV QTR SAAR.....	-1.70	7.41	-4.42	21.08	-10.52	-8.82	-12.49	-13.14	1.45	-9.13	-4.99	1.50	1.19	-7.98
% CHG SAME QTR LAST YR.....	-0.21	1.81	-1.54	5.14	2.70	-1.43	-3.57	-11.26	-8.43	-8.51	-6.61	1.50	1.19	-7.98
FURNITURE AND FIXTURES.....	238.8	232.7	229.4	236.3	235.6	249.7	242.3	238.1	238.4	217.5	213.2	248.9	237.7	234.1
% CHG PREV QTR SAAR.....	-24.80	-9.82	-5.63	12.66	-1.13	26.06	-11.24	-6.74	0.43	-30.69	-7.68	-1.01	-4.49	-1.53
% CHG SAME QTR LAST YR.....	-6.41	-6.12	-14.34	-7.85	-1.33	7.29	5.66	0.78	1.18	-12.87	-12.02	-1.01	-4.49	-1.53
STONE, CLAY AND GLASS.....	429.0	441.6	442.4	444.4	430.0	449.9	464.0	420.5	427.6	415.7	371.4	443.1	441.7	431.9
% CHG PREV QTR SAAR.....	-8.67	12.25	0.74	1.80	-12.31	19.81	13.12	-32.52	6.89	-10.67	-36.29	-0.27	-0.31	-2.20
% CHG SAME QTR LAST YR.....	-6.26	4.25	-4.41	1.26	0.24	1.88	4.88	-5.37	-0.57	-7.60	-19.96	-0.27	-0.31	-2.20
PRIMARY METALS.....	427.3	422.2	409.5	407.8	398.8	393.8	394.3	385.0	383.6	368.1	363.4	419.7	402.5	382.7
% CHG PREV QTR SAAR.....	9.69	-4.72	-11.47	-1.69	-8.54	-4.88	0.45	-9.11	-1.43	-15.16	-5.00	3.26	-4.12	-4.90
% CHG SAME QTR LAST YR.....	6.38	3.26	-0.60	-2.34	-6.68	-6.72	-3.72	-5.59	-3.81	-6.52	-7.82	3.26	-4.12	-4.90
FABRICATED METALS.....	309.0	337.8	334.7	339.3	335.9	327.4	331.0	330.5	328.4	319.5	305.9	329.8	334.3	327.4
% CHG PREV QTR SAAR.....	-29.15	42.83	-3.62	5.64	-3.91	-9.73	4.42	-0.55	-2.51	-10.43	-15.98	-2.92	1.36	-2.08
% CHG SAME QTR LAST YR.....	-9.51	-0.23	-0.36	0.75	8.73	-3.06	-1.10	-2.58	-2.23	-2.42	-7.58	-2.92	1.36	-2.08
MACHINERY.....	325.8	327.0	327.4	315.6	306.7	306.8	299.8	298.9	307.8	281.7	284.9	322.7	314.1	297.1
% CHG PREV QTR SAAR.....	8.86	1.54	0.51	-13.72	-10.81	0.21	-8.82	-1.15	12.44	-29.86	4.53	1.04	-2.67	-5.42
% CHG SAME QTR LAST YR.....	1.62	1.86	2.56	-1.05	-5.86	-6.17	-8.43	-5.26	0.38	-8.18	-4.99	1.04	-2.67	-5.42
INSTRUMENTS.....	305.3	304.0	325.3	316.4	316.5	309.2	311.8	313.8	311.3	314.3	296.6	302.9	316.8	312.8
% CHG PREV QTR SAAR.....	9.00	-1.70	31.02	-10.52	0.19	-8.90	3.40	2.57	-3.20	3.98	-20.72	1.21	4.62	-1.28
% CHG SAME QTR LAST YR.....	1.60	-1.19	7.27	5.86	3.66	1.71	-4.14	-0.81	-1.66	1.65	-4.88	1.21	4.62	-1.28

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 28: TENNESSEE AVERAGE WEEKLY EARNINGS
SELECTED NONDURABLE GOODS MANUFACTURING PRODUCTION WORKERS
SEASONALLY ADJUSTED 1982 DOLLARS

	HISTORICAL - DATA											ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
TOTAL NONDURABLE GOODS.....	280.4	279.1	282.2	279.4	275.8	276.9	277.3	276.0	273.7	267.7	264.4	281.1	278.6	273.7
% CHG PREV QTR SAAR.....	2.03	-1.91	4.56	-3.98	-5.00	1.57	0.61	-1.87	-3.35	-8.46	-4.84	-2.40	-0.91	-1.76
% CHG SAME QTR LAST YR.....	-3.03	-3.57	-1.30	0.12	-1.65	-0.79	-1.74	-1.21	-0.78	-3.33	-4.66	-2.40	-0.91	-1.76
FOOD.....	285.3	286.9	285.8	280.3	273.5	278.0	273.1	271.6	269.4	266.4	265.1	287.4	279.4	270.1
% CHG PREV QTR SAAR.....	-0.14	2.18	-1.44	-7.49	-9.36	6.77	-6.95	-2.17	-3.21	-4.31	-1.93	-2.56	-2.79	-3.34
% CHG SAME QTR LAST YR.....	-3.13	-2.87	-2.17	-1.79	-4.14	-3.08	-4.47	-3.12	-1.52	-4.18	-2.91	-2.56	-2.79	-3.34
TEXTILES.....	236.4	239.8	234.8	231.4	230.7	231.0	240.5	244.5	240.6	233.7	225.6	239.2	232.0	239.8
% CHG PREV QTR SAAR.....	-1.60	5.85	-8.09	-5.54	-1.23	0.54	17.46	6.72	-6.09	-11.03	-13.12	0.83	-3.01	3.38
% CHG SAME QTR LAST YR.....	-0.67	0.04	-3.48	-2.49	-2.39	-3.64	2.45	5.63	4.30	1.16	-6.18	0.83	-3.01	3.38
APPAREL.....	170.1	175.3	173.4	174.2	170.3	169.9	169.9	169.0	170.1	162.1	160.1	174.7	171.9	167.8
% CHG PREV QTR SAAR.....	-8.56	12.89	-4.40	1.85	-8.67	-0.83	-0.08	-2.08	2.70	-17.63	-4.87	0.73	-1.56	-2.42
% CHG SAME QTR LAST YR.....	-2.22	0.20	-3.27	0.13	0.10	-3.09	-2.02	-2.97	-0.09	-4.61	-5.78	0.73	-1.56	-2.42
PAPER.....	407.4	403.8	422.7	404.9	407.0	406.1	411.8	409.7	411.7	411.5	393.0	405.0	410.2	411.2
% CHG PREV QTR SAAR.....	-1.51	-3.51	20.07	-15.80	2.14	-0.86	5.65	-1.96	1.94	-0.19	-16.77	-0.90	1.28	0.24
% CHG SAME QTR LAST YR.....	-1.09	-1.75	5.69	-1.00	-0.09	0.59	-2.58	1.20	1.15	1.32	-4.55	-0.90	1.28	0.24
CHEMICALS.....	389.2	384.8	393.3	389.8	381.3	395.1	390.8	389.6	383.6	366.5	366.0	384.8	389.9	382.6
% CHG PREV QTR SAAR.....	6.37	-4.46	9.14	-3.56	-8.39	15.30	-4.27	-1.31	-6.02	-16.67	-0.55	-0.64	1.33	-1.87
% CHG SAME QTR LAST YR.....	1.10	0.61	3.03	1.70	-2.03	2.68	-0.63	-0.05	0.59	-7.25	-6.37	-0.64	1.33	-1.87
RUBBER.....	360.5	357.7	368.0	359.7	345.7	351.3	353.7	351.0	338.5	339.4	337.4	355.9	356.2	345.7
% CHG PREV QTR SAAR.....	5.95	-3.06	12.04	-8.75	-14.70	6.69	2.67	-2.92	-13.55	1.08	-2.35	-2.11	0.09	-2.96
% CHG SAME QTR LAST YR.....	-2.80	-1.81	5.17	1.23	-4.11	-1.79	-3.91	-2.41	-2.08	-3.39	-4.60	-2.11	0.09	-2.96
LEATHER.....	213.5	204.4	199.2	192.6	198.0	196.8	203.2	199.0	190.9	186.4	179.7	211.3	196.7	194.9
% CHG PREV QTR SAAR.....	-4.74	-15.98	-9.72	-12.66	11.65	-2.25	13.57	-7.95	-15.37	-9.21	-13.55	3.97	-6.94	-0.90
% CHG SAME QTR LAST YR.....	4.68	-3.18	-5.75	-10.87	-7.26	-3.68	2.00	3.35	-3.56	-5.33	-11.57	3.97	-6.94	-0.90

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TENNESSEE
TABLE 2: CONOMETRIC MODEL DECEMBER 1990 UPDATE
SELECTED DURABLE TENNESSEE AVERAGE WEEKLY EARNINGS
IN GOODS MANUFACTURING PRODUCTION WORKERS
CURRENT DOLLARS

	HISTORICAL - DATA											ANNUAL		
	1987Q3	1987Q4	1988Q1	1988Q2	1988Q3	1988Q4	1989Q1	1989Q2	1989Q3	1989Q4	1990Q1	1987	1988	1989
TOTAL DURABLE GOODS.....	386.0	408.9	381.0	398.1	391.1	406.3	399.8	400.8	396.8	390.3	369.0	393.5	398.6	396.9
% CHG SAME QTR LAST YR.....	1.76	5.12	3.9	2.23	1.30	-0.64	0.23	0.68	1.46	-3.94	-7.69	4.37	1.30	-0.42
LUMBER AND WOOD.....	250.7	255.3	247.7	270.7	268.2	261.4	250.0	251.2	256.8	249.5	244.5	249.2	262.0	251.9
% CHG SAME QTR LAST YR.....	5.01	6.74	7.7	8.80	6.99	2.40	0.93	-7.21	-4.25	-4.55	-2.20	6.13	5.13	-3.86
FURNITURE AND FIXTURES.....	284.3	290.4	281.2	292.1	293.5	323.1	302.4	308.2	311.2	293.4	278.2	297.5	295.7	303.8
% CHG SAME QTR LAST YR.....	-1.27	-1.61	-14.2	-4.66	3.24	11.26	10.27	5.52	6.05	-9.21	-8.00	3.40	-0.58	2.73
STONE, CLAY AND GLASS.....	509.2	549.1	515.8	555.6	527.4	584.2	579.2	552.6	544.6	564.7	485.3	529.8	549.0	560.3
% CHG SAME QTR LAST YR.....	-2.24	9.97	-8.8	5.11	3.57	6.39	9.53	-0.54	3.27	-3.34	-16.21	4.30	3.62	2.05
PRIMARY METALS.....	514.9	520.1	499.2	495.6	501.3	504.0	501.8	490.6	503.8	491.5	483.6	502.3	500.0	496.9
% CHG SAME QTR LAST YR.....	11.98	8.34	9.2	1.09	-2.65	-3.11	0.52	-1.00	0.51	-2.48	-3.63	8.02	-0.46	-0.61
FABRICATED METALS.....	370.8	412.4	400.0	416.3	420.2	414.4	423.7	425.8	429.2	421.3	409.9	394.4	415.2	425.0
% CHG SAME QTR LAST YR.....	-4.65	4.30	0.0	4.56	13.31	0.50	3.35	2.27	2.16	1.66	-3.27	1.54	5.29	2.36
MACHINERY.....	383.7	399.7	382.3	393.9	374.3	389.5	386.3	391.5	391.0	373.2	385.0	385.9	390.0	385.5
% CHG SAME QTR LAST YR.....	6.33	6.86	2.3	2.72	-2.43	-2.54	-3.96	-0.62	4.45	-4.19	-0.35	5.67	1.07	-1.15
INSTRUMENTS.....	368.5	370.0	369.2	387.1	396.6	391.0	400.4	403.1	406.6	414.3	399.3	362.3	393.5	406.1
% CHG SAME QTR LAST YR.....	6.60	3.66	19.2	9.98	7.63	5.67	0.30	4.13	2.50	5.95	-0.28	5.85	8.62	3.20

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 30: TENNESSEE AVERAGE WEEKLY EARNINGS
SELECTED NONDURABLE GOODS MANUFACTURING PRODUCTION WORKERS
CURRENT DOLLARS

	HISTORICAL - DATA											ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
TOTAL NONDURABLE GOODS.....	338.8	342.6	342.7	342.1	346.3	352.9	352.8	354.1	358.5	355.7	352.6	336.2	346.0	355.2
% CHG SAME QTR LAST YR.....	1.77	1.12	2.68	3.80	2.21	3.00	2.95	3.52	3.52	0.79	-0.06	2.06	2.92	2.68
FOOD.....	343.2	347.7	348.9	347.4	341.4	350.0	350.0	352.1	350.6	349.9	356.4	343.6	346.9	350.6
% CHG SAME QTR LAST YR.....	1.43	1.87	2.05	1.68	-0.52	0.66	0.31	1.36	2.68	-0.02	1.83	1.90	0.97	1.07
TEXTILES.....	286.1	294.4	286.7	280.9	290.6	294.3	307.8	310.7	316.7	310.2	302.7	286.0	288.1	311.3
% CHG SAME QTR LAST YR.....	4.47	4.68	0.53	0.96	1.60	-0.05	7.37	10.59	8.96	5.43	-1.65	5.43	0.75	8.06
APPAREL.....	203.8	214.8	209.9	216.0	212.1	216.3	215.4	219.4	221.3	215.2	212.6	208.8	213.6	217.8
% CHG SAME QTR LAST YR.....	2.57	5.07	0.70	3.70	4.05	0.70	2.60	1.57	4.36	-0.52	-1.30	5.32	2.27	1.99
PAPER.....	488.7	495.9	516.2	496.8	505.8	519.0	526.7	527.3	532.4	548.9	527.3	484.4	509.4	533.8
% CHG SAME QTR LAST YR.....	3.54	3.19	9.82	2.85	3.50	4.66	2.03	6.14	5.27	5.76	0.12	3.65	5.17	4.79
CHEMICALS.....	474.8	469.3	475.9	476.9	484.4	500.2	494.5	499.8	508.8	483.7	484.9	460.3	484.3	496.7
% CHG SAME QTR LAST YR.....	6.27	5.44	6.96	5.50	2.01	6.57	3.91	4.79	5.04	-3.29	-1.95	3.96	5.22	2.55
RUBBER.....	421.5	447.9	453.2	440.3	418.9	457.6	455.7	451.2	426.8	461.4	455.8	425.8	442.5	448.8
% CHG SAME QTR LAST YR.....	1.78	3.23	9.22	5.14	-0.62	2.18	0.56	2.47	1.90	0.82	0.01	2.40	3.93	1.42
LEATHER.....	258.3	244.5	240.3	242.9	248.9	244.9	256.5	263.0	250.5	241.8	237.8	252.8	244.2	252.9
% CHG SAME QTR LAST YR.....	9.98	1.60	-2.18	-7.54	-3.64	0.16	6.74	8.26	0.63	-1.24	-7.28	8.75	-3.38	3.56

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 31: TENNESSEE AVERAGE ANNUAL WAGE AND SALARY RATE BY SECTOR
1982 DOLLARS

	HISTORICAL - DATA											ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
TOTAL NONAGRICULTURAL.....	15617	15829	16022	15778	15707	15594	15878	15450	15451	15264	15423	15803	15776	15511
% CHG SAME QTR LAST YR....	-0.69	0.91	-0.57	0.80	0.58	-1.48	-0.90	-2.08	-1.63	-2.12	-2.87	0.31	-0.18	-1.68
MINING.....	19876	19801	21920	20600	20690	20307	21161	20165	20749	21923	21670	20004	20879	21000
% CHG SAME QTR LAST YR....	2.79	4.00	6.08	4.70	4.09	2.56	-3.46	-2.11	0.29	7.96	2.40	2.55	4.37	0.58
CONSTRUCTION.....	15738	16628	18105	16712	16441	16830	18182	16673	16214	16244	17092	16843	17022	16828
% CHG SAME QTR LAST YR....	-2.05	-1.47	-0.83	-0.21	4.47	1.21	0.42	-0.24	-1.38	-3.48	-5.99	-0.03	1.07	-1.14
MANUFACTURING.....	17182	17407	17499	17291	17522	17423	17595	17299	17086	16854	16992	17392	17434	17208
% CHG SAME QTR LAST YR....	-2.06	-0.55	-1.26	0.19	1.98	0.09	0.55	0.05	-2.49	-3.27	-3.42	-0.67	0.24	-1.29
DURABLE GOODS.....	18048	18359	18542	18036	18265	18247	18291	17868	17812	17719	17700	18319	18273	17923
% CHG SAME QTR LAST YR....	-3.38	-1.35	-0.88	-0.70	1.20	-0.61	-1.35	-0.93	-2.48	-2.89	-3.23	-1.40	-0.25	-1.92
NONDURABLE GOODS.....	16359	16488	16492	16554	16787	16599	16888	16726	16372	16007	16294	16496	16608	16498
% CHG SAME QTR LAST YR....	-0.63	0.26	-1.61	1.08	2.62	0.68	2.40	1.04	-2.47	-3.57	-3.52	0.04	0.68	-0.66
TRADE.....	11916	11893	12260	12129	11948	11812	12131	11754	11692	11576	12078	12085	12037	11788
% CHG SAME QTR LAST YR....	-1.16	-0.35	-1.70	0.60	0.27	-0.68	-1.05	-3.10	-2.14	-1.99	-0.44	-0.37	-0.39	-2.07
SERVICES.....	14501	15524	15243	14776	14586	14883	15173	14680	14695	14819	14868	14971	14872	14842
% CHG SAME QTR LAST YR....	0.85	4.87	0.27	0.81	0.59	-4.13	-0.46	-0.65	0.74	-0.43	-2.01	2.25	-0.66	-0.20
FIN,INS,REAL EST.....	18968	19028	18722	19010	18407	18607	18495	18050	18000	18140	17928	18987	18687	18171
% CHG SAME QTR LAST YR....	1.29	1.14	-3.25	2.21	-2.96	-2.21	-1.21	-5.05	-2.22	-2.51	-3.07	0.38	-1.58	-2.76
TRANS,COMM,PUB UTIL.....	21432	21818	21497	21853	21235	21091	21126	20696	20919	20476	20052	21698	21419	20804
% CHG SAME QTR LAST YR....	-0.32	2.00	-2.11	1.25	-0.92	-3.33	-1.72	-5.29	-1.49	-2.91	-5.09	0.00	-1.29	-2.87
GOVERNMENT.....	17170	16474	16931	16853	17134	16265	16441	16156	16707	15935	15831	16648	16796	16310
% CHG SAME QTR LAST YR....	0.87	1.13	2.84	2.25	-0.21	-1.27	-2.90	-4.14	-2.50	-2.03	-3.71	1.40	0.89	-2.90
FEDERAL,CIVILIAN.....	23893	24370	24638	24646	24592	24212	23694	22724	22458	22326	22194	24049	24522	22800
% CHG SAME QTR LAST YR....	0.36	1.59	1.84	3.81	2.93	-0.65	-3.83	-7.80	-8.68	-7.79	-6.33	1.30	1.97	-7.02
STATE AND LOCAL.....	15466	14564	15004	14886	15263	14471	14763	14641	15335	14503	14334	14829	14906	14810
% CHG SAME QTR LAST YR....	1.14	0.74	2.92	1.20	-1.31	-0.64	-1.61	-1.65	0.47	0.22	-2.90	1.43	0.52	-0.64

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 32: TENNESSEE AVERAGE ANNUAL WAGE AND SALARY RATE BY SECTOR
SEASONALLY ADJUSTED 1982 DOLLARS

	HISTORICAL - DATA											ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
TOTAL NONAGRICULTURAL.....	15682	15956	15771	15831	15776	15717	15633	15498	15520	15383	15183	15801	15774	15508
% CHG PREV QTR SAAR.....	-0.70	7.15	-4.55	1.53	-1.38	-1.51	-2.11	-3.41	0.56	-3.49	-5.10	0.30	-0.18	-1.68
% CHG SAME QTR LAST YR....	-0.67	0.91	-0.55	0.77	0.60	-1.50	-0.89	-2.10	-1.63	-2.12	-2.88	0.30	-0.18	-1.68
MINING.....	20005	20213	21134	20796	20812	20687	20445	20360	20877	22304	20947	19985	20857	20996
% CHG PREV QTR SAAR.....	3.01	4.22	19.52	-6.24	0.30	-2.38	-4.60	-1.65	10.55	30.27	-22.20	2.55	4.36	0.67
% CHG SAME QTR LAST YR....	2.69	3.78	6.39	4.73	4.03	2.35	-3.26	-2.10	0.31	7.82	2.46	2.55	4.36	0.67
CONSTRUCTION.....	16546	16921	16646	16929	17251	17120	16751	16885	16999	16526	15751	16790	16987	16790
% CHG PREV QTR SAAR.....	-9.38	9.37	-6.35	6.99	7.82	-2.99	-8.35	3.22	2.73	-10.67	-17.48	-0.08	1.17	-1.16
% CHG SAME QTR LAST YR....	-2.37	-1.54	-0.53	-0.18	4.26	1.18	0.63	-0.26	-1.46	-3.47	-5.97	-0.08	1.17	-1.16
MANUFACTURING.....	17223	17433	17385	17337	17565	17444	17491	17340	17126	16874	16889	17390	17433	17208
% CHG PREV QTR SAAR.....	-1.98	4.97	-1.09	-1.10	5.36	-2.72	1.07	-3.41	-4.85	-5.74	0.36	-0.67	0.25	-1.29
% CHG SAME QTR LAST YR....	-2.10	-0.56	-1.20	0.16	1.99	0.07	0.61	0.02	-2.50	-3.27	-3.44	-0.67	0.25	-1.29
DURABLE GOODS.....	18047	18347	18450	18137	18262	18235	18216	17959	17803	17707	17630	18317	18271	17921
% CHG PREV QTR SAAR.....	-4.92	6.82	2.25	-6.61	2.79	-0.59	-0.43	-5.51	-3.44	-2.13	-1.73	-1.40	-0.25	-1.92
% CHG SAME QTR LAST YR....	-3.38	-1.38	-0.79	-0.76	1.19	-0.61	-1.27	-0.98	-2.52	-2.90	-3.22	-1.40	-0.25	-1.92
NONDURABLE GOODS.....	16436	16546	16360	16550	16873	16650	16758	16720	16456	16056	16162	16495	16608	16498
% CHG PREV QTR SAAR.....	1.51	2.72	-4.43	4.73	8.03	-5.17	2.61	-0.90	-6.16	-9.38	2.67	0.04	0.69	-0.67
% CHG SAME QTR LAST YR....	-0.70	0.28	-1.58	1.07	2.66	0.63	2.43	1.03	-2.47	-3.57	-3.55	0.04	0.69	-0.67
TRADE.....	12005	12109	11973	12103	12035	12027	11849	11728	11775	11787	11799	12081	12035	11785
% CHG PREV QTR SAAR.....	-0.93	3.50	-4.40	4.42	-2.25	-0.25	-5.78	-4.03	1.61	0.40	0.39	-0.38	-0.38	-2.07
% CHG SAME QTR LAST YR....	-1.21	-0.34	-1.66	0.58	0.25	-0.67	-1.03	-3.10	-2.16	-2.00	-0.43	-0.38	-0.38	-2.07
SERVICES.....	14755	15490	14897	14883	14840	14855	14829	14784	14950	14795	14529	14968	14869	14839
% CHG PREV QTR SAAR.....	-0.28	21.45	-14.45	-0.39	-1.13	0.41	-0.72	-1.19	4.56	-4.08	-7.00	2.24	-0.66	-0.20
% CHG SAME QTR LAST YR....	0.85	4.91	0.25	0.79	0.58	-4.10	-0.46	-0.66	0.74	-0.41	-2.02	2.24	-0.66	-0.20
FIN,INS,REAL EST.....	19123	18984	18539	19083	18557	18565	18321	18111	18148	18100	17762	18985	18686	18170
% CHG PREV QTR SAAR.....	9.89	-2.87	-9.06	12.27	-10.58	0.17	-5.15	-4.52	0.83	-1.05	-7.28	0.38	-1.58	-2.76
% CHG SAME QTR LAST YR....	1.28	1.16	-3.23	2.17	-2.96	-2.21	-1.17	-5.10	-2.20	-2.50	-3.05	0.38	-1.58	-2.76
TRANS,COMM,PUB UTIL.....	21565	22011	21169	21864	21369	21251	20824	20710	21050	20619	19771	21692	21413	20801
% CHG PREV QTR SAAR.....	-0.44	8.53	-14.44	13.78	-8.75	-2.18	-7.81	-2.16	6.73	-7.95	-15.46	0.00	-1.28	-2.86
% CHG SAME QTR LAST YR....	-0.30	1.87	-2.01	1.27	-0.91	-3.45	-1.63	-5.28	-1.49	-2.98	-5.05	0.00	-1.28	-2.86
GOVERNMENT.....	16639	16736	17076	16942	16632	16525	16577	16229	16227	16192	15956	16644	16794	16306
% CHG PREV QTR SAAR.....	1.32	2.36	8.37	-3.09	-7.13	-2.54	1.27	-8.14	-0.04	-0.88	-5.69	1.40	0.90	-2.90
% CHG SAME QTR LAST YR....	1.09	1.10	2.77	2.16	-0.04	-1.26	-2.92	-4.21	-2.43	-2.02	-3.75	1.40	0.90	-2.90
FEDERAL,CIVILIAN.....	23898	24035	24707	24924	24582	23863	23773	22998	22435	22001	22264	24039	24519	22802
% CHG PREV QTR SAAR.....	-1.85	2.32	11.67	3.55	-5.37	-11.21	-1.50	-12.41	-9.44	-7.52	4.86	1.31	2.00	-7.00
% CHG SAME QTR LAST YR....	0.22	1.50	2.03	3.81	2.87	-0.72	-3.78	-7.73	-8.73	-7.80	-6.35	1.31	2.00	-7.00
STATE AND LOCAL.....	14871	14904	15153	14942	14709	14806	14902	14682	14797	14840	14464	14825	14903	14805
% CHG PREV QTR SAAR.....	2.42	0.91	6.85	-5.45	-6.11	2.69	2.62	-5.79	3.18	1.17	-9.76	1.42	0.53	-0.65
% CHG SAME QTR LAST YR....	1.46	0.74	2.79	1.09	-1.09	-0.66	-1.66	-1.74	0.60	0.23	-2.94	1.42	0.53	-0.65

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 PDATE
TABLE 3A TENNESSEE AVERAGE ANNUAL WAGE AND SALES RATE BY SECTOR
CURRENT DOLLARS

	HISTORICAL - DATA											ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
TOTAL NONAGRICULTURAL.....	18787	19232	19579	19486	19618	19695	20307	20008	20117	20117	20666	18899	19595	20138
% CHG SAME QTR LAST YR....	4.16	5.88	3.32	4.61	4.43	2.41	3.72	2.68	2.54	2.14	1.77	4.91	3.68	2.77
MINING.....	23911	24058	26786	25441	25842	25648	27065	26114	27016	28895	29037	23921	25929	27272
% CHG SAME QTR LAST YR....	7.80	9.12	10.23	8.66	8.07	6.61	1.04	2.64	4.54	12.66	7.29	7.26	8.40	5.18
CONSTRUCTION.....	18933	20203	22125	20639	20535	21256	23255	21591	21111	21410	22904	20134	21139	21842
% CHG SAME QTR LAST YR....	2.74	3.38	3.05	3.56	8.46	5.21	5.11	4.61	2.80	0.73	-1.51	4.52	4.99	3.33
MANUFACTURING.....	20670	21149	21384	21354	21885	22006	22504	22402	22246	22214	22770	20799	21657	22341
% CHG SAME QTR LAST YR....	2.72	4.34	2.60	3.98	5.88	4.05	5.24	4.91	1.65	0.95	1.18	3.89	4.12	3.16
DURABLE GOODS.....	21712	22306	22658	22275	22814	23047	23394	23139	23191	23354	23718	21908	22698	23270
% CHG SAME QTR LAST YR....	1.34	3.51	3.00	3.05	5.07	3.32	3.25	3.88	1.66	1.34	1.38	3.12	3.61	2.52
NONDURABLE GOODS.....	19679	20032	20153	20444	20967	20965	21600	21660	21317	21098	21834	19728	20632	21419
% CHG SAME QTR LAST YR....	4.22	5.20	2.24	4.90	6.54	4.65	7.18	5.95	1.67	0.63	1.08	4.63	4.58	3.81
TRADE.....	14335	14450	14982	14980	14923	14919	15516	15221	15223	15258	16185	14450	14951	15304
% CHG SAME QTR LAST YR....	3.66	4.56	2.15	4.40	4.10	3.24	3.56	1.61	2.01	2.27	4.31	4.19	3.47	2.36
SERVICES.....	17445	18862	18626	18248	18218	18797	19407	19011	19133	19532	19923	17907	18472	19270
% CHG SAME QTR LAST YR....	5.77	10.03	4.19	4.62	4.43	-0.34	4.19	4.18	5.02	3.91	2.66	6.95	3.16	4.32
FIN,INS,REAL EST.....	22819	23119	22878	23477	22991	23501	23655	23375	23435	23909	24023	22707	23212	23594
% CHG SAME QTR LAST YR....	6.23	6.12	0.53	6.08	0.75	1.65	3.40	-0.44	1.93	1.74	1.56	4.99	2.22	1.64
TRANS,COMM,PUB UTIL.....	25782	26509	26269	26988	26522	26638	27021	26802	27236	26988	26869	25950	26604	27012
% CHG SAME QTR LAST YR....	4.54	7.03	1.72	5.08	2.87	0.49	2.86	-0.69	2.69	1.31	-0.56	4.60	2.52	1.53
GOVERNMENT.....	20655	20016	20690	20814	21401	20542	21028	20922	21752	21002	21214	19912	20862	21176
% CHG SAME QTR LAST YR....	5.79	6.11	6.86	6.11	3.61	2.63	1.63	0.52	1.64	2.24	0.88	6.06	4.77	1.51
FEDERAL,CIVILIAN.....	28743	29609	30107	30437	30715	30579	30304	29427	29240	29425	29741	28763	30460	29599
% CHG SAME QTR LAST YR....	5.26	6.59	5.83	7.74	6.86	3.28	0.66	-3.32	-4.80	-3.77	-1.86	5.95	5.90	-2.83
STATE AND LOCAL.....	18605	17696	18335	18385	19064	18277	18882	18960	19966	19115	19208	17737	18515	19231
% CHG SAME QTR LAST YR....	6.08	5.70	6.95	5.03	2.46	3.29	2.98	3.13	4.73	4.58	1.73	6.08	4.38	3.87

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 34: TENNESSEE AVERAGE ANNUAL WAGE AND SALARY RATE BY SECTOR
SEASONALLY ADJUSTED CURRENT DOLLARS

	HISTORICAL - DATA											ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
TOTAL NONAGRICULTURAL.....	18866	19386	19272	19552	19705	19850	19995	20070	20207	20274	20345	18899	19595	20136
% CHG PREV QTR SAAR.....	3.71	11.49	-2.33	5.92	3.17	2.98	2.95	1.52	2.75	1.34	1.30	4.91	3.68	2.77
% CHG SAME QTR LAST YR....	4.18	5.87	3.34	4.58	4.45	2.39	3.75	2.65	2.55	2.14	1.75	4.91	3.68	2.77
MINING.....	24066	24559	25826	25684	25994	26128	26149	26366	27182	29397	28069	23904	25908	27273
% CHG PREV QTR SAAR.....	7.58	8.44	22.29	-2.19	4.92	2.08	0.32	3.37	12.96	36.80	-16.37	7.27	8.38	5.27
% CHG SAME QTR LAST YR....	7.71	8.89	10.56	8.69	8.01	6.39	1.25	2.66	4.57	12.51	7.34	7.27	8.38	5.27
CONSTRUCTION.....	19905	20559	20341	20908	21546	21623	21425	21866	22132	21782	21107	20081	21105	21801
% CHG PREV QTR SAAR.....	-5.36	13.79	-4.17	11.61	12.79	1.43	-3.62	8.49	4.97	-6.19	-11.33	4.49	5.10	3.30
% CHG SAME QTR LAST YR....	2.39	3.31	3.36	3.60	8.24	5.18	5.33	4.58	2.72	0.73	-1.48	4.49	5.10	3.30
MANUFACTURING.....	20719	21181	21245	21411	21939	22032	22371	22455	22297	22240	22632	20798	21657	22341
% CHG PREV QTR SAAR.....	2.37	9.22	1.20	3.18	10.22	1.72	6.29	1.52	-2.78	-1.02	7.32	3.89	4.13	3.16
% CHG SAME QTR LAST YR....	2.68	4.34	2.67	3.95	5.89	4.02	5.30	4.88	1.64	0.94	1.17	3.89	4.13	3.16
DURABLE GOODS.....	21711	22292	22546	22399	22810	23031	23298	23257	23179	23338	23624	21905	22697	23268
% CHG PREV QTR SAAR.....	-0.69	11.15	4.63	-2.57	7.53	3.94	4.71	-0.69	-1.34	2.77	4.24	3.12	3.61	2.52
% CHG SAME QTR LAST YR....	1.34	3.48	3.09	2.99	5.06	3.32	3.34	3.83	1.62	1.33	1.39	3.12	3.61	2.52
NONDURABLE GOODS.....	19772	20104	19992	20439	21074	21029	21433	21652	21426	21162	21657	19727	20634	21418
% CHG PREV QTR SAAR.....	6.02	6.88	-2.21	9.26	13.01	-0.84	7.91	4.15	-4.11	-4.85	9.57	4.63	4.59	3.80
% CHG SAME QTR LAST YR....	4.14	5.22	2.27	4.90	6.58	4.60	7.21	5.93	1.67	0.63	1.70	4.63	4.59	3.80
TRADE.....	14442	14712	14631	14948	15031	15190	15155	15188	15332	15535	15810	14448	14950	15303
% CHG PREV QTR SAAR.....	3.47	7.69	-2.18	8.93	2.26	4.30	-0.91	0.87	3.83	5.43	7.10	4.19	3.48	2.36
% CHG SAME QTR LAST YR....	3.61	4.57	2.19	4.39	4.08	3.25	3.58	1.61	2.00	2.27	4.26	4.19	3.48	2.36
SERVICES.....	17751	18820	18204	18380	18536	18762	18966	19145	19465	19500	19469	17905	18471	19269
% CHG PREV QTR SAAR.....	4.15	26.37	-12.46	3.92	3.43	4.98	4.41	3.85	6.84	0.72	-0.69	6.95	3.16	4.32
% CHG SAME QTR LAST YR....	5.77	10.08	4.17	4.60	4.42	-0.31	4.18	4.16	5.01	3.93	2.63	6.95	3.16	4.32
FIN,INS,REAL EST.....	23005	23066	22654	23568	23178	23448	23433	23453	23629	23856	23801	22706	23212	23593
% CHG PREV QTR SAAR.....	14.77	1.06	-6.94	17.13	-6.45	4.74	-0.25	0.35	3.03	3.90	-0.91	4.99	2.23	1.64
% CHG SAME QTR LAST YR....	6.23	6.14	0.56	6.04	0.75	1.66	3.44	-0.49	1.95	1.74	1.93	4.99	2.23	1.64
TRANS,COMM,PUB UTIL.....	25943	26743	25869	27002	26690	26840	26633	26820	27408	27175	26459	25946	26600	27009
% CHG PREV QTR SAAR.....	3.99	12.93	-12.45	18.70	-4.54	2.28	-3.05	2.83	9.06	-3.35	-9.63	4.61	2.52	1.54
% CHG SAME QTR LAST YR....	4.57	6.88	1.82	5.10	2.88	0.36	2.96	-0.67	2.69	1.25	-0.87	4.61	2.52	-1.54
GOVERNMENT.....	20016	20335	20867	20924	20773	20871	21202	21017	21128	21340	21332	19907	20859	21172
% CHG PREV QTR SAAR.....	5.82	6.51	10.88	1.10	-2.85	1.91	6.50	-3.46	2.13	4.09	0.381	6.06	4.78	1.50
% CHG SAME QTR LAST YR....	6.03	6.08	6.79	6.02	3.78	2.64	1.61	0.44	1.71	2.25	0.77	6.06	4.78	1.50
FEDERAL,CIVILIAN.....	28749	29203	30193	30781	30703	30138	30405	29783	29211	28997	29833	28750	30454	29599
% CHG PREV QTR SAAR.....	2.51	6.47	14.26	8.03	-1.00	-7.16	3.59	-7.94	-7.47	-2.89	12.333	5.96	5.93	-2.81
% CHG SAME QTR LAST YR....	5.12	6.49	6.03	7.73	6.80	3.20	0.70	-3.24	-4.86	-3.79	-1.04	5.96	5.93	-2.81
STATE AND LOCAL.....	17889	18109	18517	18454	18371	18700	19060	19013	19266	19559	19338	17731	18511	19224
% CHG PREV QTR SAAR.....	6.97	5.00	9.34	-1.36	-1.78	7.37	7.92	-0.99	5.43	6.23	-3.382	6.08	4.39	3.86
% CHG SAME QTR LAST YR....	6.41	5.70	6.81	4.91	2.69	3.27	2.93	3.03	4.87	4.59	1.58	6.08	4.39	3.86

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 35: TENNESSEE CIVILIAN LABOR FORCE AND UNEMPLOYMENT RATE

	HISTORICAL - DATA											ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
CIVILIAN LABOR FORCE (THOUS)....	2374	2345	2315	2340	2364	2333	2324	2364	2399	2385	2375	2334	2338	2368
% CHG SAME QTR LAST YR.....	2.56	1.65	1.43	0.21	-0.43	-0.49	0.41	1.01	1.49	2.21	2.18	1.92	0.17	1.28
EMPLOYED PERSONS (THOUS).....	2227	2220	2176	2195	2227	2214	2198	2235	2283	2272	2250	2180	2203	2247
% CHG SAME QTR LAST YR.....	4.62	3.85	3.22	1.44	-0.03	-0.29	1.03	1.80	2.51	2.63	2.35	3.51	1.05	2.00
UNEMPLOYED PERSONS (THOUS)....	147	125	139	145	137	119	126	129	117	113	125	154	135	121
% CHG SAME QTR LAST YR.....	-21.04	-26.21	-20.20	-15.29	-6.47	-4.23	-9.20	-10.90	-15.11	-5.64	-0.77	-16.30	-12.34	-10.37
PARTICIPATION RATE (PERCENT)....	63.0	62.1	61.1	61.6	62.1	61.2	60.8	61.7	62.5	61.9	61.5	62.1	61.5	61.8
% CHG SAME QTR LAST YR.....	0.98	0.24	0.18	-0.87	-1.41	-1.42	-0.47	0.17	0.61	1.21	1.06	0.43	-0.89	0.38
UNEMPLOYMENT RATE (PERCENT)....	6.2	5.3	6.0	6.2	5.8	5.1	5.4	5.5	4.9	4.7	5.3	6.6	5.8	5.1

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 36: TENNESSEE CIVILIAN LABOR FORCE AND UNEMPLOYMENT RATE
SEASONALLY ADJUSTED

	HISTORICAL - DATA										ANNUAL			
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
CIVILIAN LABOR FORCE (THOUS)....	2347	2345	2345	2337	2337	2335	2352	2363	2371	2387	2402	2334	2338	2368
% CHG PREV QTR SAAR.....	3.10	-0.21	-0.08	-1.39	0.02	-0.35	2.99	1.88	1.33	2.67	2.62	1.89	0.19	1.28
% CHG SAME QTR LAST YR.....	2.60	1.54	1.32	0.34	-0.42	-0.45	0.31	1.13	1.46	2.22	2.12	1.89	0.19	1.28
EMPLOYED PERSONS (THOUS).....	2200	2209	2210	2200	2200	2205	2229	2241	2254	2264	2280	2180	2203	2247
% CHG PREV QTR SAAR.....	6.41	1.71	0.05	-1.84	0.02	0.96	4.44	2.19	2.41	1.69	2.80	3.51	1.06	1.98
% CHG SAME QTR LAST YR.....	4.69	3.95	2.99	1.54	-0.02	-0.21	0.87	1.89	2.49	2.68	2.27	3.51	1.06	1.98
UNEMPLOYED PERSONS (THOUS)....	146	136	135	137	137	130	123	122	116	123	122	153	135	121
% CHG PREV QTR SAAR.....	-34.08	-25.95	-2.26	6.21	0.05	-19.58	-19.32	-3.70	-17.05	23.12	-0.70	-16.68	-12.09	-10.25
% CHG SAME QTR LAST YR.....	-21.08	-26.25	-19.85	-15.63	-6.35	-4.40	-8.88	-11.08	-15.15	-5.62	-0.59	-16.68	-12.09	-10.25
PARTICIPATION RATE (PERCENT)....	62.3	62.1	61.9	61.6	61.4	61.2	61.6	61.7	61.8	62.0	62.2	62.1	61.5	61.8
% CHG PREV QTR SAAR.....	1.74	-1.21	-1.08	-2.37	-0.92	-1.13	2.19	1.03	0.27	1.37	1.36	0.39	-0.87	0.37
% CHG SAME QTR LAST YR.....	1.02	0.13	0.07	-0.74	-1.40	-1.38	-0.57	0.28	0.58	1.21	1.01	0.39	-0.87	0.37
UNEMPLOYMENT RATE (PERCENT).....	6.2	5.8	5.8	5.9	5.9	5.6	5.2	5.2	4.9	5.1	5.1	6.6	5.8	5.1

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 37: TENNESSEE TAXABLE SALES
MILLIONS OF 1982 DOLLARS

	HISTORICAL - DATA											ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
TOTAL.....	7936	8142	6857	8032	7918	8165	6861	7873	8021	8048	7050	30366	30973	30803
% CHG SAME QTR LAST YR.....	1.69	1.11	4.43	4.02	-0.22	0.29	0.06	-1.98	1.29	-1.44	2.75	1.27	2.00	-0.55
AUTO DEALERS.....	1064	835	891	1013	958	788	841	919	972	726	788	3622	3650	3458
% CHG SAME QTR LAST YR.....	4.75	-3.70	14.49	7.20	-9.89	-5.67	-5.62	-9.28	1.38	-7.78	-6.35	3.06	0.78	-5.26
PURCHASES FROM MANUFACTURERS..	569	551	507	571	561	578	511	578	614	575	500	2026	2216	2277
% CHG SAME QTR LAST YR.....	-9.62	20.20	29.19	10.99	-1.39	4.98	0.72	1.24	9.38	-0.52	-2.14	0.42	9.41	2.72
MISC DURABLE GOODS.....	1379	1318	1093	1399	1339	1261	1061	1311	1309	1219	1101	5159	5092	4900
% CHG SAME QTR LAST YR.....	3.15	0.31	0.13	2.09	-2.88	-4.34	-2.85	-6.30	-2.24	-3.36	3.70	0.18	-1.30	-3.76
EATING AND DRINKING PLACES....	608	576	520	614	638	593	546	623	640	617	572	2301	2365	2426
% CHG SAME QTR LAST YR.....	3.12	0.05	0.49	2.34	4.95	2.94	5.03	1.36	0.31	4.19	4.83	3.56	2.76	2.59
FOOD STORES.....	1210	1163	1067	1198	1187	1127	1050	1171	1166	1107	1059	4619	4579	4494
% CHG SAME QTR LAST YR.....	3.70	1.51	-0.38	2.00	-1.92	-3.15	-1.55	-2.31	-1.75	-1.74	0.82	1.41	-0.88	-1.85
LIQUOR STORES.....	48	64	48	47	46	61	45	45	46	58	45	212	202	194
% CHG SAME QTR LAST YR.....	-19.60	-13.55	-5.50	-2.83	-3.70	-5.65	-6.91	-4.23	-0.79	-4.40	0.87	-13.69	-4.52	-4.13
HOTELS AND MOTELS.....	205	156	135	192	211	172	134	199	224	178	140	673	710	735
% CHG SAME QTR LAST YR.....	5.56	-2.83	7.22	3.43	2.72	10.05	-0.92	3.65	6.37	3.77	4.97	0.85	5.46	3.62
OTHER RETAIL AND SERVICE.....	1894	2391	1695	2007	1988	2418	1741	2000	1995	2397	1788	7893	8107	8133
% CHG SAME QTR LAST YR.....	3.33	1.49	1.42	3.69	4.94	1.09	2.70	-0.32	0.35	-0.85	2.67	2.49	2.72	0.32
MISC NONDURABLE GOODS.....	652	772	592	661	663	798	609	671	682	790	627	2638	2713	2751
% CHG SAME QTR LAST YR.....	-4.03	-2.38	3.98	2.51	1.71	3.36	2.85	1.53	2.83	-1.00	2.98	-3.23	2.88	1.39
TRANSPORTATION, COMMUNICATION..	307	315	309	331	327	372	323	358	374	380	430	1224	1338	1434
% CHG SAME QTR LAST YR.....	2.55	1.90	3.65	9.02	6.46	17.85	4.56	8.19	14.13	2.24	33.24	3.09	9.35	7.15
PER CAPITA (\$)	1633	1671	1405	1642	1615	1662	1393	1596	1621	1622	1416	6254	6323	6232
% CHG SAME QTR LAST YR.....	0.58	0.08	3.42	3.10	-1.08	-0.57	-0.79	-2.81	0.38	-2.42	1.64	0.71	1.10	-1.45

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 38: TENNESSEE TAXABLE SALES
MILLIONS OF SEASONALLY ADJUSTED 1982 DOLLARS

	HISTORICAL - DATA											ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
TOTAL.....	7674	7730	7738	7816	7678	7746	7731	7664	7788	7625	7936	30341	30978	30809
% CHG PREV QTR SAAR.....	9.11	2.93	0.41	4.12	-6.88	3.57	-0.74	-3.45	6.67	-8.11	17.34	1.26	2.10	-0.54
% CHG SAME QTR LAST YR.....	1.67	1.11	4.16	4.09	0.05	0.21	-0.08	-1.95	1.44	-1.55	2.65	1.26	2.10	-0.54
AUTO DEALERS.....	960	929	946	962	863	885	889	867	880	818	832	3617	3656	3454
% CHG PREV QTR SAAR.....	30.35	-12.21	7.55	6.67	-35.11	10.39	2.10	-9.66	6.17	-25.52	6.97	2.79	1.08	-5.52
% CHG SAME QTR LAST YR.....	4.02	-2.80	14.13	7.04	-10.09	-4.79	-6.02	-9.84	1.97	-7.59	-6.50	2.79	1.08	-5.52
PURCHASES FROM MANUFACTURERS..	529	537	577	558	522	568	576	562	574	568	559	2018	2224	2280
% CHG PREV QTR SAAR.....	20.90	5.58	33.17	-12.33	-23.54	41.04	5.62	-9.25	8.16	-3.84	-6.19	0.47	10.22	2.52
% CHG SAME QTR LAST YR.....	-10.26	21.59	28.89	10.49	-1.47	5.93	-0.03	0.83	9.96	-0.08	-3.00	0.47	10.22	2.52
MISC DURABLE GOODS.....	1305	1304	1282	1295	1270	1245	1244	1215	1243	1202	1289	5160	5092	4903
% CHG PREV QTR SAAR.....	13.21	-0.21	-6.55	3.96	-7.61	-7.38	-0.60	-9.00	9.71	-12.53	32.20	0.23	-1.31	-3.71
% CHG SAME QTR LAST YR.....	3.44	0.10	-0.22	2.35	-2.72	-4.51	-3.03	-6.21	-2.09	-3.48	3.65	0.23	-1.31	-3.71
EATING AND DRINKING PLACES.....	574	581	574	588	604	596	602	597	606	620	631	2301	2362	2426
% CHG PREV QTR SAAR.....	0.72	4.62	-4.37	10.02	11.00	-4.90	4.31	-3.45	5.90	9.92	7.37	3.64	2.67	2.69
% CHG SAME QTR LAST YR.....	3.35	-0.31	0.29	2.61	5.13	2.66	4.91	1.54	0.36	4.06	4.81	3.64	2.67	2.69
FOOD STORES.....	1159	1169	1147	1161	1140	1130	1131	1132	1121	1110	1142	4619	4578	4494
% CHG PREV QTR SAAR.....	6.63	3.34	-7.43	5.31	-7.31	-3.24	0.32	0.25	-3.82	-3.79	11.99	1.33	-0.90	-1.83
% CHG SAME QTR LAST YR.....	4.02	1.39	-0.33	1.81	-1.70	-3.30	-1.34	-2.55	-1.64	-1.78	0.96	1.33	-0.90	-1.83
LIQUOR STORES.....	51	53	52	51	49	50	49	49	49	47	49	212	202	194
% CHG PREV QTR SAAR.....	-5.10	14.92	-3.94	-13.25	-8.51	2.01	-8.06	-0.87	5.77	-14.39	14.82	-13.53	-4.40	-4.09
% CHG SAME QTR LAST YR.....	-19.26	-14.05	-5.73	-2.36	-3.25	-6.09	-7.12	-3.96	-0.42	-4.69	0.76	-13.53	-4.40	-4.09
HOTELS AND MOTELS.....	168	166	180	175	174	182	178	181	186	189	186	673	712	734
% CHG PREV QTR SAAR.....	-2.32	-5.05	38.90	-11.47	-2.08	19.83	-8.34	6.62	11.56	5.53	-4.52	1.10	5.77	3.15
% CHG SAME QTR LAST YR.....	6.49	-3.52	6.80	3.34	3.41	9.60	-1.22	3.48	6.91	3.57	4.64	1.10	5.77	3.15
OTHER RETAIL AND SERVICE.....	1962	2010	1982	2030	2058	2032	2035	2025	2063	2014	2091	7883	8101	8137
% CHG PREV QTR SAAR.....	1.52	10.26	-5.41	9.92	5.61	-4.94	0.59	-1.85	7.69	-9.20	16.24	2.52	2.77	0.44
% CHG SAME QTR LAST YR.....	3.16	1.49	1.30	3.86	4.89	1.08	2.64	-0.22	0.27	-0.88	2.77	2.52	2.77	0.44
MISC NONDURABLE GOODS.....	660	670	676	671	674	691	693	683	694	683	712	2634	2711	2753
% CHG PREV QTR SAAR.....	5.31	6.37	3.20	-2.97	1.73	10.87	0.83	-5.43	6.42	-5.81	17.82	-3.23	2.93	1.53
% CHG SAME QTR LAST YR.....	-3.47	-2.94	3.70	2.91	2.03	3.09	2.49	1.84	2.99	-1.12	2.80	-3.23	2.93	1.53
TRANSPORTATION, COMMUNICATION..	305	310	321	326	326	366	334	353	373	374	445	1225	1338	1433
% CHG PREV QTR SAAR.....	7.90	7.28	14.18	6.76	-0.39	59.24	-30.37	23.92	24.79	1.23	100.33	3.19	9.23	7.11
% CHG SAME QTR LAST YR.....	2.89	2.11	3.12	8.99	6.83	17.92	4.21	8.16	14.43	2.18	33.08	3.19	9.23	7.11
PER CAPITA (\$).	1579	1587	1585	1598	1566	1576	1570	1553	1574	1537	1594	6250	6325	6234
% CHG PREV QTR SAAR.....	8.03	2.05	-0.45	3.23	-7.67	2.69	-1.59	-4.27	5.54	-9.23	15.93	0.21	1.19	-1.44
% CHG SAME QTR LAST YR.....	0.57	0.07	3.15	3.17	-0.80	-0.65	-0.93	-2.78	0.52	-2.53	1.54	0.21	1.19	-1.44

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
 TABLE 39: TENNESSEE TAXABLE SALES
 MILLIONS OF CURRENT DOLLARS

	HISTORICAL - DATA											ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
TOTAL.....	9547	9893	8379	9920	9890	10313	8775	10196	10443	10607	9447	36350	38502	40021
% CHG SAME QTR LAST YR.....	6.65	6.09	8.52	7.96	3.59	4.25	4.73	2.79	5.59	2.85	7.65	5.96	5.92	3.95
AUTO DEALERS.....	1280	1015	1089	1251	1197	995	1076	1190	1265	957	1056	4334	4532	4488
% CHG SAME QTR LAST YR.....	9.86	1.04	18.97	11.25	-6.45	-1.95	-1.21	-4.88	5.68	-3.76	-1.88	7.80	4.57	-0.96
PURCHASES FROM MANUFACTURERS..	684	669	620	705	701	730	653	748	799	758	670	2426	2755	2958
% CHG SAME QTR LAST YR.....	-5.21	26.11	34.24	15.19	2.38	9.13	5.42	6.16	14.03	3.81	2.52	5.15	13.53	7.37
MISC DURABLE GOODS.....	1659	1602	1335	1728	1673	1593	1358	1698	1705	1606	1475	6175	6329	6366
% CHG SAME QTR LAST YR.....	8.19	5.25	4.05	5.95	0.83	-0.57	1.68	-1.75	1.91	0.85	8.65	4.83	2.49	0.60
EATING AND DRINKING PLACES....	732	699	635	759	797	748	698	806	834	814	767	2753	2939	3151
% CHG SAME QTR LAST YR.....	8.16	4.97	4.42	6.21	8.96	7.00	9.93	6.28	4.57	8.73	9.83	8.33	6.74	7.23
FOOD STORES.....	1456	1414	1304	1480	1482	1423	1343	1516	1518	1459	1419	5527	5689	5837
% CHG SAME QTR LAST YR.....	8.76	6.51	3.52	5.85	1.83	0.67	3.04	2.43	2.42	2.54	5.63	6.09	2.94	2.60
LIQUOR STORES.....	58	78	58	59	58	77	57	59	60	76	60	253	251	252
% CHG SAME QTR LAST YR.....	-15.67	-9.29	-1.80	0.84	-0.02	-1.93	-2.57	0.43	3.42	-0.24	5.68	-9.73	-0.83	0.21
HOTELS AND MOTELS.....	247	190	165	237	264	217	171	257	292	235	188	805	882	956
% CHG SAME QTR LAST YR.....	10.71	1.95	11.41	7.34	6.64	14.40	3.70	8.68	10.89	8.29	9.98	5.55	9.54	8.31
OTHER RETAIL AND SERVICE.....	2279	2906	2072	2478	2483	3053	2227	2590	2597	3159	2395	9453	10086	10574
% CHG SAME QTR LAST YR.....	8.38	6.49	5.39	7.61	8.95	5.08	7.49	4.52	4.61	3.47	7.56	7.24	6.70	4.83
MISC NONDURABLE GOODS.....	784	938	724	816	828	1008	779	869	887	1041	841	3158	3375	3576
% CHG SAME QTR LAST YR.....	0.65	2.43	8.05	6.39	5.60	7.44	7.65	6.46	7.19	3.31	7.90	1.26	6.86	5.95
TRANSPORTATION, COMMUNICATION..	370	383	377	408	409	469	413	463	486	501	576	1464	1664	1863
% CHG SAME QTR LAST YR.....	7.56	6.91	7.71	13.14	10.53	22.51	9.44	13.44	18.97	6.69	39.60	7.82	13.63	11.99
PER CAPITA (\$).	1964	2031	1716	2028	2017	2099	1782	2066	2111	2137	1898	7487	7860	8096
% CHG SAME QTR LAST YR.....	5.49	5.00	7.47	7.00	2.71	3.36	3.84	1.91	4.64	1.83	6.49	4.85	4.98	3.01

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
 TABLE 40: TENNESSEE TAXABLE SALES
 SEASONALLY ADJUSTED
 MILLIONS OF CURRENT DOLLARS

	HISTORICAL - DATA											ANNUAL		
	198703	198704	198801	198802	198803	198804	198901	198902	198903	198904	199001	1987	1988	1989
TOTAL.....	9232	9392	9455	9653	9590	9783	9888	9925	10141	10050	10635	36295	38481	40004
% CHG PREV QTR SAAR.....	13.95	7.10	2.74	8.62	-2.58	8.29	4.38	1.47	8.99	-3.51	25.37	5.92	6.02	3.96
% CHG SAME QTR LAST YR.....	6.64	6.09	8.23	8.03	3.88	4.17	4.58	2.81	5.74	2.73	7.55	5.92	6.02	3.96
AUTO DEALERS.....	1155	1129	1156	1188	1078	1118	1138	1123	1146	1078	1114	4328	4540	4484
% CHG PREV QTR SAAR.....	36.14	-8.65	10.05	11.28	-32.12	15.43	7.37	-5.05	8.48	-21.79	14.29	7.50	4.89	-1.23
% CHG SAME QTR LAST YR.....	9.10	1.98	18.59	11.09	-6.65	-1.03	-1.63	-5.46	6.29	-3.56	-2.04	7.50	4.89	-1.23
PURCHASES FROM MANUFACTURERS..	637	652	704	689	652	718	737	728	747	749	749	2416	2763	2961
% CHG PREV QTR SAAR.....	26.27	9.86	36.27	-8.54	-20.01	47.47	11.08	-4.63	10.52	0.97	0.23	5.18	14.37	7.17
% CHG SAME QTR LAST YR.....	-5.88	27.58	33.93	14.67	2.30	10.11	4.63	5.73	14.63	4.27	1.63	5.18	14.37	7.17
MISC DURABLE GOODS.....	1570	1585	1567	1599	1586	1573	1591	1573	1618	1584	1727	6172	6325	6366
% CHG PREV QTR SAAR.....	18.24	3.83	-4.37	8.45	-3.35	-3.16	4.53	-4.37	12.10	-8.15	41.25	4.84	2.49	0.65
% CHG SAME QTR LAST YR.....	8.49	5.03	3.68	6.22	1.00	-0.74	1.49	-1.65	2.07	0.72	8.60	4.84	2.49	0.65
EATING AND DRINKING PLACES....	691	706	702	726	754	753	771	773	789	818	846	2752	2935	3150
% CHG PREV QTR SAAR.....	5.20	8.85	-2.15	14.78	16.12	-0.56	9.70	1.48	8.21	15.42	14.72	8.37	6.66	7.34
% CHG SAME QTR LAST YR.....	8.39	4.60	4.21	6.49	9.15	6.71	9.81	6.48	4.62	8.59	9.81	8.37	6.66	7.34
FOOD STORES.....	1395	1420	1401	1434	1423	1428	1447	1466	1459	1463	1530	5525	5686	5835
% CHG PREV QTR SAAR.....	11.37	7.53	-5.28	9.86	-3.04	1.17	5.50	5.36	-1.72	1.02	19.65	5.99	2.92	2.62
% CHG SAME QTR LAST YR.....	9.10	6.38	3.57	5.66	2.06	0.52	3.26	2.19	2.53	2.50	5.77	5.99	2.92	2.62
LIQUOR STORES.....	62	64	64	63	62	63	62	63	64	62	66	253	251	252
% CHG PREV QTR SAAR.....	-0.89	19.58	-1.71	-9.50	-4.29	6.66	-3.31	4.18	8.07	-10.10	22.68	-9.60	-0.70	0.27
% CHG SAME QTR LAST YR.....	-15.31	-9.82	-2.04	1.33	0.45	-2.38	-2.78	0.70	3.81	-0.54	5.56	-9.60	-0.70	0.27
HOTELS AND MOTELS.....	203	202	220	216	217	230	228	235	242	249	250	805	884	953
% CHG PREV QTR SAAR.....	2.02	-1.20	42.13	-7.64	2.44	25.29	-3.61	12.06	14.00	10.82	2.02	5.73	9.87	7.84
% CHG SAME QTR LAST YR.....	11.69	1.23	10.98	7.25	7.36	13.93	3.39	8.51	11.45	8.08	9.63	5.73	9.87	7.84
OTHER RETAIL AND SERVICE.....	2360	2442	2422	2507	2570	2566	2602	2623	2686	2654	2802	9429	10065	10565
% CHG PREV QTR SAAR.....	6.03	14.72	-3.22	14.68	10.48	-0.61	5.79	3.16	10.04	-4.65	24.20	7.23	6.75	4.97
% CHG SAME QTR LAST YR.....	8.20	6.49	5.26	7.79	8.90	5.07	7.43	4.63	4.52	3.44	7.67	7.23	6.75	4.97
MISC NONDURABLE GOODS.....	794	815	826	828	841	873	886	885	903	901	954	3151	3368	3574
% CHG PREV QTR SAAR.....	9.99	10.67	5.60	1.23	6.43	15.93	6.03	-0.60	8.74	-1.09	25.89	1.22	6.91	6.11
% CHG SAME QTR LAST YR.....	1.24	1.84	7.76	6.80	5.93	7.16	7.27	6.79	7.36	3.18	7.71	1.22	6.91	6.11
TRANSPORTATION, COMMUNICATION..	367	377	392	403	407	462	427	457	485	493	596	1465	1663	1862
% CHG PREV QTR SAAR.....	12.69	11.62	16.83	11.38	4.21	66.50	-26.77	30.24	27.51	6.30	114.04	7.91	13.51	11.94
% CHG SAME QTR LAST YR.....	-7.91	7.13	7.16	13.11	10.92	22.58	9.07	13.42	19.29	6.63	39.42	7.91	13.51	11.94
PER CAPITA (\$)	1899	1928	1937	1973	1956	1991	2008	2011	2050	2025	2136	7477	7857	8094
% CHG PREV QTR SAAR.....	12.83	6.18	1.86	7.69	-3.42	7.37	3.50	0.61	7.84	-4.69	23.87	4.81	5.08	3.02
% CHG SAME QTR LAST YR.....	5.48	5.00	7.19	7.07	2.99	3.28	3.69	1.94	4.79	1.71	6.39	4.81	5.08	3.02

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 1: SELECTED U.S. AND TENNESSEE ECONOMIC INDICATORS

	H I S T O R I C A L - D A T A									
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
US GNP (BIL82\$).....	3187.2	3248.7	3166.0	3279.1	3501.4	3618.7	3717.9	3845.3 ⁷		
PERCENTAGE CHANGE.....	-0.16	1.93	-2.55	3.57	6.78	3.35	2.74	3.43 ³	4016.9	4117.7
TN GSP (MIL82\$).....	51810.0	52804.0	51967.0	54217.0	58810.0	61337.0	64124.0	67414.5 ³	70573.3	73450.6
PERCENTAGE CHANGE.....	-1.80	1.92	-1.59	4.33	8.47	4.30	4.54	5.13 ³	4.69	4.08
US GNP (BIL\$).....	2732.0	3052.6	3166.0	3405.7	3772.2	4014.9	4231.6	4524.3 ²	4879.7	5247.7
PERCENTAGE CHANGE.....	8.92	11.73	3.71	7.57	10.76	6.43	5.40	6.92 ²	7.85	7.54
TN GSP (MIL\$).....	45018.0	49881.0	51967.0	56319.0	63207.0	67560.0	72328.0	78512.4 ⁵	85097.3	91657.2
PERCENTAGE CHANGE.....	6.59	10.80	4.18	8.37	12.23	6.89	7.06	8.55 ⁵	8.39	7.71
IMPLICIT DEFLATOR.GNP.....	85.7	93.9	100.0	103.8	107.8	110.9	113.8	117.4 ⁴	121.3	126.3
PERCENTAGE CHANGE.....	9.07	9.60	6.49	3.82	3.76	2.97	2.59	3.14 ⁴	3.34	4.10
IMPLICIT DEFLATOR.GSP.....	86.9	94.5	100.0	103.9	107.5	110.1	112.8	116.5 ⁵	120.6	124.8
PERCENTAGE CHANGE.....	8.54	8.72	5.86	3.88	3.47	2.48	2.40	3.25 ⁵	3.54	3.49
US PERS CONS DEFL (1982=100).....	86.6	94.6	100.0	104.1	108.0	111.6	114.3	119.6 ⁹	124.2	129.9
PERCENTAGE CHANGE.....	10.81	9.24	5.71	4.10	3.77	3.33	2.44	4.59 ⁹	3.87	4.53
TN PERSONAL INCOME (MIL\$).....	36958	40872	42970	45745	50362	53637	57852	62704 ⁴	68052	72587
PERCENTAGE CHANGE.....	10.30	10.59	5.13	6.46	10.09	6.50	7.86	8.39 ⁴	8.53	6.66
US PERSONAL INCOME (BIL\$).....	2258.5	2520.9	2670.8	2838.6	3108.8	3325.4	3526.2	3766.4 ⁴	4070.8	4384.3
PERCENTAGE CHANGE.....	11.04	11.62	5.94	6.28	9.52	6.97	6.04	6.81 ⁴	8.08	7.70
TN PERSONAL INCOME (MIL82\$).....	42677	43205	42970	43944	46620	48051	50592	52428 ³	54781	55900
PERCENTAGE CHANGE.....	-0.47	1.24	-0.54	2.27	6.09	3.07	5.29	3.63 ³	4.49	2.04
US PERSONAL INCOME (BIL82\$).....	2608.0	2664.8	2670.8	2726.8	2877.8	2979.0	3083.7	3149.2 ²	3277.0	3376.4
PERCENTAGE CHANGE.....	0.21	2.18	0.22	2.10	5.54	3.52	3.51	2.12 ²	4.06	3.04
TN NONAGRIC JOBS (THOUS).....	1746.9	1755.4	1703.5	1718.6	1811.8	1867.6	1929.7	2011.5 ⁵	2091.9	2153.3
PERCENTAGE CHANGE.....	-1.71	0.49	-2.96	0.88	5.42	3.08	3.32	4.24 ⁵	4.00	2.94
US NONAGRIC JOBS (MIL).....	90.4	91.2	89.6	90.2	94.5	97.5	99.5	102.2 ²	105.5	108.4
PERCENTAGE CHANGE.....	0.66	0.82	-1.75	0.69	4.77	3.21	2.06	2.69 ²	3.27	2.73
TN UNEMPLOYMENT RATE (%).....	7.3	9.1	11.9	11.4	8.5	8.0	8.0	6.6 ⁵	5.8	5.1
US UNEMPLOYMENT RATE (%).....	7.2	7.6	9.7	9.6	7.5	7.2	7.0	6.2 ²	5.5	5.3
BANK PRIME INTEREST RATE (%).....	15.3	18.9	14.9	10.8	12.0	9.9	8.3	8.2 ²	9.3	10.9
TN MFG JOBS (THOUS).....	502.2	506.9	467.1	468.5	497.1	492.4	490.5	497.5 ⁵	511.9	523.7
PERCENTAGE CHANGE.....	-4.31	0.94	-7.85	0.30	6.11	-0.94	-0.39	1.41 ⁵	2.90	2.31

(CONTINUED ON NEXT PAGE)

TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 1: SELECTED U.S. AND TENNESSEE ECONOMIC INDICATORS (CONT.)

	H I S T O R I C A L - D A T A									
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
TN MFG AVG WEEKLY HOURS.....	39.7	39.9	38.6	40.5	40.9	41.0	41.2	41.6	41.6	40.8
PERCENTAGE CHANGE.....	0.00	0.55	-3.27	4.83	0.92	0.26	0.54	0.92	0.05	-1.85
TN TAXABLE SALES (MIL\$).....	21314	23504	24628	25092	28860	31740	34267	36295	38481	40004
PERCENTAGE CHANGE.....	0.3	10.3	4.8	1.9	15.0	10.0	8.0	5.9	6.0	4.0
TN TAXABLE SALES (MIL82\$).....	24612	24846	24628	24103	26716	28434	29967	30347	30977	30808
PERCENTAGE CHANGE.....	-9.5	1.0	-0.9	-2.1	10.8	6.4	5.4	1.3	2.1	-0.5
TN MFG OUTPUT/EMPLOYEE (THOUS82\$)...	26.6	27.6	28.8	31.7	33.9	35.2	36.8	37.7	38.8	40.2
PERCENTAGE CHANGE.....	-0.62	3.91	4.13	10.23	6.97	3.83	4.50	2.29	3.00	3.65
US MFG OUTPUT/EMPLOYEE (THOUS82\$)...	32.8	33.5	33.8	36.6	39.1	40.8	42.4	44.0	46.0	47.4
PERCENTAGE CHANGE.....	-0.99	2.19	0.81	8.44	6.74	4.44	3.86	3.78	4.57	2.87
TN AVERAGE ANNUAL WAGE, NONAG (\$)....	13060	14192	15100	15929	16612	17311	18015	18899	19595	20136
PERCENTAGE CHANGE.....	9.78	8.67	6.40	5.49	4.28	4.21	4.07	4.91	3.68	2.77
TN AVERAGE ANNUAL WAGE, NONAG (82\$)...	15081	15002	15100	15302	15378	15508	15754	15802	15774	15508
PERCENTAGE CHANGE.....	-0.93	-0.52	0.65	1.34	0.50	0.85	1.59	0.30	-0.18	-1.69

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SSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TED PER CAPITA U.S. AND TENNESSEE ECONOMIC INDICATORS

TENN		H I S T O R I C A L - D A T A								
TABLE 2:	SELE	1981	1982	1983	1984	1985	1986	1987	1988	1989
	1980	11383	11135	11558	12439	12867	13356	13883	14409	14869
		1.13	-2.18	3.80	7.62	3.44	3.80	3.94	3.79	3.19
TN GSP (82 \$).....	11256									
PERCENTAGE CHANGE.....	-3.29	10753	11135	12006	13369	14172	15065	16168	17374	18554
		9.94	3.56	7.82	11.35	6.01	6.30	7.32	7.46	6.79
TN GSP (\$).....	9780									
PERCENTAGE CHANGE.....	4.97	14094	13594	13948	14755	15103	15363	15740	16282	16530
		0.87	-3.55	2.60	5.79	2.36	1.72	2.45	3.45	1.52
US GNP (82 \$).....	13973									
PERCENTAGE CHANGE.....	-1.34	13243	13594	14486	15896	16757	17486	18519	19780	21067
		10.57	2.65	6.56	9.73	5.41	4.35	5.91	6.81	6.51
US GNP (\$).....	11977									
PERCENTAGE CHANGE.....	7.63	9313	9207	9368	9861	10080	10538	10797	11184	11316
		0.45	-1.14	1.74	5.26	2.23	4.54	2.46	3.59	1.18
TN PERSONAL INCOME (82 \$).....	9272									
PERCENTAGE CHANGE.....	-1.98	8811	9207	9752	10652	11252	12050	12913	13894	14694
		9.73	4.50	5.91	9.23	5.63	7.09	7.16	7.60	5.76
TN PERSONAL INCOME (\$).....	8029									
PERCENTAGE CHANGE.....	8.62	11561	11467	11598	12127	12433	12743	12891	13283	13554
		1.12	-0.81	1.14	4.56	2.52	2.49	1.16	3.05	2.04
US PERSONAL INCOME (82 \$).....	11434									
PERCENTAGE CHANGE.....	-0.98	10937	11467	12074	13101	13879	14571	15417	16501	17600
		10.46	4.85	5.29	8.50	5.94	4.99	5.81	7.03	6.66
US PERSONAL INCOME (\$).....	9901									
PERCENTAGE CHANGE.....	9.73	5356	5277	5138	5651	5965	6242	6249	6324	6236
		0.2	-1.5	-2.6	10.0	5.6	4.6	0.1	1.2	-1.4
TN TAXABLE SALES (82 \$).....	5347									
PERCENTAGE CHANGE.....	-10.9	5067	5277	5349	6104	6658	7137	7474	7857	8098
		2.2	1.0	0.4	3.2	2.1	1.7	1.2	1.2	0.8
TN TAXABLE SALES (\$).....	4630									
PERCENTAGE CHANGE.....	0.1									

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 3: TENNESSEE PERSONAL INCOME BY COMPONENTS
MILLIONS OF 1982 DOLLARS

	H I S T O R I C A L - D A T A									
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
TOTAL PERSONAL INCOME.....	42677	43205	42970	43944	46620	48051	50592	52428	54781	55900
PERCENTAGE CHANGE.....	-0.47	1.24	-0.54	2.27	6.09	3.07	5.29	3.63	4.49	2.04
WAGES AND SALARIES.....	26775	26761	26171	26748	28314	29417	30861	32263	33470	33862
PERCENTAGE CHANGE.....	-2.57	-0.05	-2.21	2.21	5.86	3.89	4.91	4.54	3.74	1.17
OTHER LABOR INCOME.....	2596	2595	2664	2741	2784	2763	2943	3036	3164	3270
PERCENTAGE CHANGE.....	-0.18	-0.04	2.66	2.92	1.57	-0.78	6.51	3.18	4.22	3.35
PROPRIETORS INCOME.....	3946	3705	3441	3458	4239	4240	4478	4920	5348	5391
PERCENTAGE CHANGE.....	-11.79	-6.11	-7.13	0.50	22.58	0.01	5.63	9.85	8.72	0.80
RENT INTEREST DIVIDENDS.....	5060	5742	5930	5950	6418	6683	6857	6730	7198	7924
PERCENTAGE CHANGE.....	11.25	13.48	3.28	0.34	7.87	4.12	2.60	-1.85	6.97	10.08
TRANSFER PAYMENTS.....	6698	6907	7189	7404	7346	7652	8325	8451	8777	8804
PERCENTAGE CHANGE.....	8.73	3.12	4.09	2.99	-0.78	4.16	8.80	1.51	3.86	0.31
LESS: PERS CONT FOR SOC INS.....	1855	1986	2012	1935	2049	2233	2346	2352	2540	2680
PERCENTAGE CHANGE.....	-0.95	7.10	1.27	-3.81	5.91	8.96	5.08	0.23	7.99	5.53
RESIDENCE ADJUSTMENT.....	-542	-518	-413	-423	-433	-469	-526	-618	-637	-671
PERCENTAGE CHANGE.....	5.52	-4.46	-20.31	2.52	2.16	8.53	11.96	17.64	2.98	5.37
PER CAPITA PERSONAL INCOME (\$).	9272	9313	9207	9368	9861	10080	10538	10797	11184	11316
PERCENTAGE CHANGE.....	-1.98	0.45	-1.14	1.74	5.26	2.23	4.54	2.46	3.59	1.18

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 4: TENNESSEE PERSONAL INCOME BY COMPONENTS
MILLIONS OF CURRENT DOLLARS

	H I S T O R I C A L - D A T A									
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
TOTAL PERSONAL INCOME	36958	40872	42970	45745	50362	53637	57852	62704	68052	72587
PERCENTAGE CHANGE.....	10.30	10.59	5.13	6.46	10.09	6.50	7.86	8.39	8.53	6.66
WAGES AND SALARIES.....	23187	25316	26171	27844	30586	32837	35290	38586	41578	43970
PERCENTAGE CHANGE.....	7.96	9.18	3.38	6.40	9.85	7.36	7.47	9.34	7.75	5.75
OTHER LABOR INCOME.....	2248	2455	2664	2854	3008	3084	3365	3631	3931	4247
PERCENTAGE CHANGE.....	10.62	9.20	8.51	7.14	5.40	2.53	9.11	7.91	8.26	8.03
PROPRIETORS INCOME.....	3418	3505	3441	3600	4580	4733	5121	5884	6644	7001
PERCENTAGE CHANGE.....	-2.25	2.57	-1.83	4.62	27.20	3.34	8.21	14.89	12.92	5.37
RENT INTEREST DIVIDENDS.....	4382	5432	5930	6194	6934	7460	7841	8049	8942	10289
PERCENTAGE CHANGE.....	23.28	23.96	9.18	4.45	11.93	7.59	5.10	2.65	11.10	15.06
TRANSFER PAYMENTS.....	5800	6534	7189	7708	7936	8541	9520	10107	10903	11433
PERCENTAGE CHANGE.....	20.49	12.65	10.03	7.21	2.96	7.63	11.46	6.17	7.88	4.86
LESS: PERS CONT FOR SOC INS.....	1606	1879	2012	2014	2214	2493	2683	2813	3155	3480
PERCENTAGE CHANGE.....	9.76	17.00	7.05	0.14	9.90	12.59	7.64	4.84	12.17	10.31
RESIDENCE ADJUSTMENT.....	-470	-490	-413	-441	-467	-524	-601	-740	-791	-871
PERCENTAGE CHANGE.....	16.93	4.36	-15.76	6.72	6.01	12.15	14.69	23.04	6.96	10.15
PER CAPITA PERSONAL INCOME (\$).	8029	8811	9207	9752	10652	11252	12050	12913	13894	14694
PERCENTAGE CHANGE.....	8.62	9.73	4.50	5.91	9.23	5.63	7.09	7.16	7.60	5.76

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 5: TENNESSEE WAGE AND SALARY EMPLOYMENT BY SECTOR
THOUSANDS OF JOBS

	HISTORICAL - DATA									
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
TOTAL NONAGRICULTURAL.....	1746.9	1755.4	1703.5	1718.6	1811.8	1867.6	1929.7	2011.5	2091.9	2153.3
PERCENTAGE CHANGE.....	-1.71	0.49	-2.96	0.88	5.42	3.08	3.32	4.24	4.00	2.94
MINING.....	10.1	10.0	9.2	7.9	8.0	7.7	7.2	6.8	6.6	6.3
PERCENTAGE CHANGE.....	-4.09	-0.61	-7.89	-14.18	1.47	-3.40	-7.53	-5.21	-2.33	-4.71
CONSTRUCTION.....	81.4	76.3	72.4	69.5	78.2	85.5	90.0	95.2	96.7	97.4
PERCENTAGE CHANGE.....	-8.78	-6.24	-5.18	-3.90	12.47	9.35	5.30	5.75	1.56	0.71
MANUFACTURING.....	502.2	506.9	467.1	468.5	497.1	492.4	490.5	497.5	511.9	523.7
PERCENTAGE CHANGE.....	-4.31	0.94	-7.85	0.30	6.11	-0.94	-0.39	1.41	2.90	2.31
DURABLE GOODS.....	224.3	228.8	207.9	214.5	237.8	239.7	239.3	244.4	254.1	261.3
PERCENTAGE CHANGE.....	-6.87	2.02	-9.14	3.18	10.86	0.78	-0.14	2.13	3.96	2.83
NONDURABLE GOODS.....	277.9	278.1	259.2	254.0	259.3	252.8	251.2	253.0	257.8	262.4
PERCENTAGE CHANGE.....	-2.14	0.07	-6.78	-2.00	2.09	-2.52	-0.62	0.73	1.88	1.81
TRADE.....	379.8	379.9	380.5	389.8	413.2	435.2	452.0	477.2	495.6	507.6
PERCENTAGE CHANGE.....	-2.29	0.02	0.15	2.46	5.99	5.34	3.85	5.57	3.86	2.43
SERVICES.....	291.0	304.4	313.1	323.4	344.3	360.1	384.6	408.8	440.2	465.2
PERCENTAGE CHANGE.....	1.97	4.62	2.85	3.29	6.48	4.59	6.80	6.30	7.68	5.66
FIN,INS,REAL EST.....	78.7	79.6	79.9	81.9	85.9	89.4	95.4	101.4	103.2	103.6
PERCENTAGE CHANGE.....	1.48	1.08	0.43	2.54	4.81	4.12	6.68	6.33	1.79	0.38
TRANS,COMM,PUB UTIL.....	86.6	86.7	84.0	83.6	89.1	93.0	97.6	103.4	109.2	115.1
PERCENTAGE CHANGE.....	-0.82	0.15	-3.18	-0.41	6.48	4.45	4.93	5.98	5.61	5.39
GOVERNMENT.....	317.2	311.7	297.5	293.9	296.0	304.1	312.4	321.2	328.4	334.3
PERCENTAGE CHANGE.....	1.04	-1.76	-4.56	-1.21	0.74	2.72	2.71	2.82	2.25	1.82
FEDERAL,CIVILIAN.....	76.7	75.0	66.0	61.8	60.1	61.3	61.6	63.4	64.5	62.8
PERCENTAGE CHANGE.....	3.81	-2.23	-11.99	-6.40	-2.81	2.04	0.48	2.93	1.76	-2.73
STATE AND LOCAL.....	240.5	236.6	231.4	232.1	236.0	242.8	250.8	257.8	263.9	271.6
PERCENTAGE CHANGE.....	0.18	-1.61	-2.20	0.28	1.68	2.90	3.28	2.79	2.37	2.93
FARM.....	25.2	17.9	16.5	15.4	13.8	12.2	15.8	12.8	12.6	14.8
PERCENTAGE CHANGE.....	6.20	-28.98	-8.04	-6.74	-10.19	-11.24	29.16	-19.31	-1.22	17.71

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 6: TENNESSEE DURABLE GOODS MANUFACTURING EMPLOYMENT
THOUSANDS OF JOBS

	H I S T O R I C A L - D A T A									
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
TOTAL DURABLE GOODS.....	224.3	228.8	207.9	214.5	237.8	239.7	239.3	244.4	254.1	261.3
PERCENTAGE CHANGE.....	-6.87	2.02	-9.14	3.18	10.86	0.78	-0.14	2.13	3.96	2.83
LUMBER AND WOOD.....	18.7	17.2	15.9	17.2	18.9	18.3	18.6	21.3	21.6	21.1
PERCENTAGE CHANGE.....	-12.29	-8.11	-7.66	7.90	9.91	-2.87	1.41	14.44	1.73	-2.64
FURNITURE AND FIXTURES.....	21.5	22.4	20.6	21.5	24.2	24.3	24.5	24.7	26.0	27.7
PERCENTAGE CHANGE.....	-11.52	4.28	-7.92	4.48	12.36	0.48	0.63	1.07	4.92	6.61
STONE,CLAY AND GLASS.....	14.7	14.0	12.4	12.8	14.3	14.3	15.0	15.2	14.8	14.7
PERCENTAGE CHANGE.....	-12.34	-4.62	-11.79	3.97	11.21	0.04	5.28	1.35	-2.98	-0.79
PRIMARY METALS.....	19.0	18.9	16.4	15.5	16.2	16.8	16.2	15.7	15.7	15.7
PERCENTAGE CHANGE.....	-9.21	-0.44	-13.50	-5.24	4.45	3.79	-3.87	-2.87	-0.10	-0.14
FABRICATED METALS.....	33.8	34.9	33.7	35.5	39.3	39.3	39.1	39.9	42.2	42.9
PERCENTAGE CHANGE.....	-3.62	3.29	-3.42	5.37	10.49	0.14	-0.48	2.02	5.59	1.62
NONELECTRICAL MACHINERY.....	35.1	36.4	31.8	31.8	36.7	37.7	37.3	36.4	37.1	39.9
PERCENTAGE CHANGE.....	-3.93	3.79	-12.70	-0.01	15.69	2.74	-1.29	-2.44	2.13	7.53
ELECTRICAL MACHINERY.....	40.2	41.4	37.4	37.5	39.9	37.6	35.2	35.7	38.4	39.9
PERCENTAGE CHANGE.....	-2.23	3.11	-9.72	0.38	6.33	-5.71	-6.47	1.55	7.41	3.99
TRANSPORTATION EQUIPMENT.....	23.2	25.0	22.8	24.4	29.1	31.5	33.0	34.7	36.0	36.8
PERCENTAGE CHANGE.....	-10.87	7.81	-8.95	7.02	19.33	8.51	4.55	5.36	3.51	2.25
INSTRUMENTS.....	7.4	8.2	7.6	8.2	8.9	9.1	9.6	9.3	9.9	10.7
PERCENTAGE CHANGE.....	1.19	10.48	-7.38	8.83	8.50	2.43	4.94	-2.86	6.08	7.66
MISCELLANEOUS.....	10.7	10.4	9.4	10.0	10.3	10.5	10.9	11.4	12.5	12.1
PERCENTAGE CHANGE.....	-6.56	-3.47	-8.92	6.04	3.11	1.78	3.47	4.53	9.79	-3.14

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
 TABLE 7: TENNESSEE NONDURABLE GOODS MANUFACTURING EMPLOYMENT
 THOUSANDS OF JOBS

	HISTORICAL - DATA									
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
TOTAL NONDURABLE GOODS.....	277.9	278.1	259.2	254.0	259.3	252.8	251.2	253.0	257.8	262.4
PERCENTAGE CHANGE.....	-2.14	0.07	-6.78	-2.00	2.09	-2.52	-0.62	0.73	1.88	1.81
FOOD.....	39.0	38.2	38.1	36.9	37.2	37.6	38.4	38.7	39.2	38.8
PERCENTAGE CHANGE.....	-1.29	-1.93	-0.37	-2.99	0.64	1.23	2.10	0.65	1.49	-1.22
TOBACCO.....	1.5	1.6	1.7	1.5	1.7	1.6	1.6	1.4	1.0	1.0
PERCENTAGE CHANGE.....	1.07	5.33	5.95	-9.35	11.07	-6.64	0.94	-10.60	-27.18	-3.07
TEXTILES.....	26.3	26.4	25.4	25.2	25.6	23.1	23.1	4.0	23.1	22.5
PERCENTAGE CHANGE.....	-3.65	0.65	-3.73	-0.96	1.46	-9.57	-0.03	2.79	-3.61	-2.85
APPAREL.....	69.4	69.2	63.7	64.8	68.6	65.4	63.8	4.7	65.1	65.0
PERCENTAGE CHANGE.....	1.57	-0.28	-7.87	1.64	5.85	-4.64	-2.44	6.38	0.60	-0.07
PAPER.....	17.7	17.8	16.8	16.9	17.6	17.8	18.3	8.9	19.7	21.1
PERCENTAGE CHANGE.....	-2.59	0.37	-5.58	0.22	4.46	1.34	2.76	1.88	4.31	7.11
PRINTING AND PUBLISHING.....	26.9	27.6	27.8	29.1	30.4	31.6	32.9	3.9	35.4	36.9
PERCENTAGE CHANGE.....	1.02	2.41	0.66	4.83	4.38	4.04	4.06	3.19	4.42	4.07
CHEMICALS.....	56.6	53.5	48.5	43.0	41.5	40.0	37.9	7.4	38.5	39.3
PERCENTAGE CHANGE.....	-3.29	-5.37	-9.36	-11.42	-3.52	-3.51	-5.31	3.26	2.85	2.08
PETROLEUM REFINING.....	0.6	0.7	0.7	0.8	0.7	0.8	0.9	0.9	1.0	1.0
PERCENTAGE CHANGE.....	-15.76	17.16	8.52	2.22	-3.15	12.42	7.15	0.67	4.25	4.49
RUBBER AND PLASTICS.....	20.5	21.6	19.5	21.0	22.8	24.0	24.2	3.9	25.5	27.4
PERCENTAGE CHANGE.....	-12.59	5.40	-9.58	7.82	8.48	5.19	0.84	2.17	6.76	7.22
LEATHER.....	19.5	21.5	16.9	14.9	13.3	10.8	10.1	3.3	9.3	9.6
PERCENTAGE CHANGE.....	-2.45	10.27	-21.24	-12.19	-10.25	-19.04	-6.31	0.54	-0.02	3.75

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 8: TENNESSEE AVERAGE HOURLY EARNINGS
SELECTED DURABLE GOODS MANUFACTURING PRODUCTION WORKERS
1982 DOLLARS

H I S T O R I C A L - D A T A										
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
TOTAL DURABLE GOODS.....	7.26	7.35	7.40	7.49	7.67	7.76	7.91	7.84	7.61	7.42
PERCENTAGE CHANGE.....	-0.76	1.20	0.75	1.16	2.35	1.24	1.97	-0.88	-2.98	-2.55
LUMBER AND WOOD.....	5.33	5.18	5.18	5.17	5.15	5.05	5.09	5.12	5.09	4.87
PERCENTAGE CHANGE.....	-1.15	-2.85	0.07	-0.34	-0.28	-1.93	0.76	0.60	-0.68	-4.32
FURNITURE AND FIXTURES.....	5.71	5.76	5.84	5.95	6.08	6.35	6.41	6.19	6.02	6.12
PERCENTAGE CHANGE.....	0.17	0.88	1.36	1.84	2.23	4.42	0.99	-3.43	-2.75	1.58
STONE, CLAY AND GLASS.....	9.14	9.04	8.96	9.00	9.36	9.65	9.77	9.67	9.79	9.85
PERCENTAGE CHANGE.....	-0.58	-1.11	-0.83	0.38	4.06	3.10	1.22	-1.06	1.33	0.52
PRIMARY METALS.....	9.91	9.95	10.18	10.03	9.56	9.62	9.47	9.76	9.26	9.00
PERCENTAGE CHANGE.....	-0.54	0.39	2.35	-1.52	-4.64	0.58	-1.54	3.09	-5.18	-2.78
FABRICATED METALS.....	7.47	7.61	7.70	7.61	8.25	8.15	8.18	7.92	7.99	7.94
PERCENTAGE CHANGE.....	-1.32	1.82	1.14	-1.15	8.50	-1.30	0.43	-3.22	0.85	-0.53
MACHINERY.....	6.99	7.15	7.05	7.17	7.26	7.37	7.55	7.58	7.44	7.16
PERCENTAGE CHANGE.....	-1.63	2.29	-1.37	1.68	1.27	1.50	2.53	0.43	-1.85	-3.80
INSTRUMENTS.....	6.26	6.24	6.46	6.83	7.02	7.24	7.38	7.50	7.55	7.53
PERCENTAGE CHANGE.....	2.39	-0.21	3.54	5.75	2.68	3.24	1.85	1.62	0.68	-0.21

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
 TABLE 9: TENNESSEE AVERAGE HOURLY EARNINGS
 SELECTED NONDURABLE GOODS MANUFACTURING PRODUCTION WORKERS
 1982 DOLLARS

	HISTORICAL - DATA									
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
TOTAL NONDURABLE GOODS.....	6.8									
PERCENTAGE CHANGE.....	-1.32	6.89	6.95	6.94	7.01	7.08	7.07	6.82	6.79	6.77
	38	1.00	0.93	-0.14	0.99	0.94	-0.11	-3.52	-0.44	-0.28
FOOD.....	7.1									
PERCENTAGE CHANGE.....	-1.19	7.22	7.41	7.33	7.34	7.28	7.25	7.02	6.82	6.64
	12	0.41	2.62	-1.09	0.22	-0.85	-0.40	-3.16	-2.87	-2.67
TEXTILES.....	5.6									
PERCENTAGE CHANGE.....	-0.63	5.58	5.58	5.63	5.61	5.66	5.73	5.67	5.70	5.76
	53	-0.77	0.02	0.74	-0.27	0.90	1.28	-1.07	0.47	1.05
APPAREL.....	4.9									
PERCENTAGE CHANGE.....	-3.99	4.90	4.82	4.73	4.64	4.63	4.62	4.56	4.51	4.47
	04	-1.77	-1.75	-1.79	-1.97	-0.14	-0.17	-1.32	-1.05	-1.04
PAPER.....	8.5									
PERCENTAGE CHANGE.....	0.55	8.84	8.94	9.29	9.30	9.12	9.29	9.05	8.99	8.96
	56	3.43	1.09	3.93	0.07	-1.90	1.83	-2.61	-0.54	-0.33
CHEMICALS.....	9.3									
PERCENTAGE CHANGE.....	-0.30	9.19	9.32	9.41	8.94	9.42	9.46	9.21	9.21	9.12
	27	-1.15	1.34	0.98	-4.94	5.40	0.39	-2.70	-0.01	-0.92
RUBBER.....	7.6									
PERCENTAGE CHANGE.....	-1.52	7.59	7.94	7.96	8.37	8.33	8.33	8.06	8.20	8.25
	28	-0.43	4.65	0.23	5.16	-0.51	-0.02	-3.13	1.64	0.70
LEATHER.....	5.2									
PERCENTAGE CHANGE.....	-2.45	5.44	5.34	5.25	5.38	5.21	5.21	5.16	4.92	4.94
	46	-0.21	-1.85	-1.55	2.42	-3.18	-0.03	-0.90	-4.77	0.56

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
 TABLE 10: TENNESSEE AVERAGE HOURLY EARNINGS
 SELECTED DURABLE GOODS MANUFACTURING PRODUCTION WORKERS
 CURRENT DOLLARS

H I S T O R I C A L - D A T A										
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
TOTAL DURABLE GOODS.....	6.29	6.95	7.40	7.80	8.28	8.66	9.05	9.38	9.45	9.63
PERCENTAGE CHANGE.....	9.97	10.55	6.50	5.31	6.21	4.61	4.46	3.67	0.77	1.86
LUMBER AND WOOD.....	4.62	4.90	5.18	5.38	5.57	5.64	5.82	6.13	6.32	6.32
PERCENTAGE CHANGE.....	9.54	6.13	5.79	3.75	3.48	1.33	3.22	5.22	3.16	0.01
FURNITURE AND FIXTURES.....	4.95	5.45	5.84	6.19	6.57	7.09	7.33	7.41	7.48	7.95
PERCENTAGE CHANGE.....	11.01	10.20	7.14	6.02	6.08	7.90	3.46	1.00	1.01	6.18
STONE, CLAY AND GLASS.....	7.91	8.55	8.96	9.36	10.11	10.77	11.17	11.56	12.17	12.78
PERCENTAGE CHANGE.....	10.17	8.03	4.83	4.49	7.99	6.54	3.69	3.49	5.24	5.08
PRIMARY METALS.....	8.58	9.41	10.18	10.44	10.33	10.74	10.83	11.67	11.50	11.68
PERCENTAGE CHANGE.....	10.21	9.66	8.19	2.51	-1.05	3.93	0.86	7.82	-1.51	1.62
FABRICATED METALS.....	6.47	7.20	7.70	7.92	8.92	9.09	9.36	9.47	9.92	10.32
PERCENTAGE CHANGE.....	9.35	11.23	6.91	2.90	12.60	1.99	2.88	1.23	4.75	3.97
MACHINERY.....	6.05	6.76	7.05	7.46	7.84	8.22	8.64	9.07	9.25	9.30
PERCENTAGE CHANGE.....	9.00	11.74	4.26	5.85	5.09	4.88	5.03	5.04	1.94	0.56
INSTRUMENTS.....	5.42	5.90	6.46	7.11	7.58	8.09	8.44	8.97	9.38	9.78
PERCENTAGE CHANGE.....	13.46	9.01	9.45	10.09	6.55	6.68	4.33	6.28	4.57	4.31

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 11: TENNESSEE AVERAGE HOURLY EARNINGS
SELECTED NONDURABLE GOODS MANUFACTURING PRODUCTION WORKERS
CURRENT DOLLARS

	H I S T O R I C A L - D A T A									
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
TOTAL NONDURABLE GOODS.....	5.90	6.51	6.95	7.23	7.57	7.90	8.08	8.16	8.43	8.79
PERCENTAGE CHANGE.....	9.29	10.33	6.69	3.96	4.80	4.31	2.33	0.91	3.41	4.23
FOOD.....	6.23	6.83	7.41	7.63	7.93	8.13	8.29	8.40	8.47	8.62
PERCENTAGE CHANGE.....	9.57	9.68	8.48	2.97	3.99	2.46	2.04	1.28	0.89	1.74
TEXTILES.....	4.87	5.28	5.58	5.86	6.06	6.32	6.56	6.79	7.08	7.48
PERCENTAGE CHANGE.....	10.12	8.39	5.73	4.87	3.49	4.27	3.76	3.48	4.36	5.63
APPAREL.....	4.32	4.64	4.82	4.92	5.01	5.17	5.29	5.46	5.61	5.80
PERCENTAGE CHANGE.....	7.45	7.30	3.86	2.23	1.73	3.19	2.27	3.21	2.78	3.44
PAPER.....	7.40	8.37	8.94	9.67	10.04	10.18	10.62	10.82	11.17	11.63
PERCENTAGE CHANGE.....	11.43	12.99	6.86	8.19	3.85	1.37	4.32	1.86	3.20	4.18
CHEMICALS.....	8.05	8.70	9.32	9.79	9.66	10.52	10.82	11.01	11.43	11.84
PERCENTAGE CHANGE.....	10.52	7.98	7.13	5.12	-1.36	8.91	2.84	1.77	3.85	3.57
RUBBER.....	6.60	7.18	7.94	8.29	9.04	9.30	9.52	9.65	10.18	10.72
PERCENTAGE CHANGE.....	9.39	8.77	10.62	4.34	9.12	2.80	2.42	1.32	5.57	5.26
LEATHER.....	4.72	5.14	5.34	5.47	5.81	5.82	5.96	6.17	6.11	6.42
PERCENTAGE CHANGE.....	8.09	9.00	3.75	2.49	6.28	0.05	2.41	3.65	-1.09	5.11

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
 TABLE 12: TENNESSEE PERSON-HOURS PER WEEK
 SELECTED DURABLE GOODS MANUFACTURING
 THOUSANDS

	H I S T O R I C A L - D A T A									
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
TOTAL DURABLE GOODS.....	8972	9234	8139	8772	9782	9933	9966	10247	10709	10769
PERCENTAGE CHANGE.....	-7.29	2.93	-11.86	7.78	11.51	1.54	0.33	2.83	4.51	0.56
LUMBER AND WOOD.....	712	671	598	684	748	723	749	865	896	839
PERCENTAGE CHANGE.....	-12.71	-5.70	-10.96	14.45	9.35	-3.41	3.68	15.45	3.63	-6.36
FURNITURE AND FIXTURES.....	824	880	789	859	947	954	960	993	1025	1058
PERCENTAGE CHANGE.....	-11.20	6.77	-10.42	8.88	10.34	0.76	0.57	3.45	3.18	3.29
STONE, CLAY AND GLASS.....	609	585	503	546	635	657	684	699	667	644
PERCENTAGE CHANGE.....	-12.09	-3.95	-14.00	8.48	16.27	3.53	4.04	2.20	-4.57	-3.51
PRIMARY METALS.....	771	766	649	633	673	697	694	675	682	666
PERCENTAGE CHANGE.....	-12.27	-0.63	-15.24	-2.47	6.26	3.63	-0.42	-2.69	0.98	-2.28
FABRICATED METALS.....	1380	1426	1348	1478	1629	1648	1625	1663	1765	1766
PERCENTAGE CHANGE.....	-3.44	3.39	-5.46	9.62	10.21	1.14	-1.36	2.34	6.12	0.04
MACHINERY.....	3023	3153	2679	2791	3113	3114	3065	3068	3185	3312
PERCENTAGE CHANGE.....	-3.72	4.28	-15.02	4.17	11.54	0.03	-1.57	0.10	3.81	3.98
INSTRUMENTS.....	291	317	296	330	371	386	389	377	415	442
PERCENTAGE CHANGE.....	0.64	9.00	-6.62	11.27	12.39	4.00	0.96	-3.24	10.18	6.54

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 13: TENNESSEE PERSON-HOURS PER WEEK
SELECTED NONDURABLE GOODS MANUFACTURING
THOUSANDS

	H I S T O R I C A L - D A T A									
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
TOTAL NONDURABLE GOODS.....	10968	11002	9895	10199	10529	10240	10237	10431	10578	10608
PERCENTAGE CHANGE.....	-1.70	0.31	-10.06	3.07	3.24	-2.75	-0.02	1.90	1.40	0.28
FOOD.....	1573	1541	1494	1464	1472	1511	1563	1583	1608	1577
PERCENTAGE CHANGE.....	-2.03	-2.07	-3.05	-1.98	0.52	2.65	3.44	1.27	1.58	-1.91
TEXTILES.....	1061	1056	977	1036	1041	922	957	1012	942	936
PERCENTAGE CHANGE.....	-1.45	-0.44	-7.45	6.00	0.49	-11.47	3.79	5.75	-6.91	-0.65
APPAREL.....	2572	2540	2254	2428	2585	2436	2393	2476	2478	2442
PERCENTAGE CHANGE.....	2.73	-1.25	-11.26	7.74	6.46	-5.77	-1.77	3.48	0.10	-1.46
PAPER.....	744	761	709	751	784	776	807	845	898	968
PERCENTAGE CHANGE.....	-1.82	2.29	-6.83	5.89	4.47	-1.01	3.94	4.69	6.29	7.76
CHEMICALS.....	2315	2219	1960	1769	1727	1647	1551	1563	1630	1647
PERCENTAGE CHANGE.....	-3.36	-4.16	-11.66	-9.75	-2.34	-4.67	-5.83	0.82	4.23	1.06
RUBBER.....	835	882	776	925	1003	1057	1056	1055	1108	1145
PERCENTAGE CHANGE.....	-12.99	5.69	-12.03	19.21	8.45	5.32	-0.07	-0.07	5.04	3.34
LEATHER.....	767	839	612	571	522	446	395	379	370	378
PERCENTAGE CHANGE.....	-1.42	9.44	-27.11	-6.60	-8.58	-14.72	-11.41	-3.99	-2.27	2.17

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 14: TENNESSEE AVERAGE WEEKLY HOURS
SELECTED DURABLE GOODS MANUFACTURING PRODUCTION WORKERS

	H I S T O R I C A L - D A T A							1987	1988	1989
	1980	1981	1982	1983	1984	1985	1986			
TOTAL DURABLE GOODS.....	40.0	40.4	39.2	40.9	41.1	41.4	41.6	41.9	42.2	41.2
PERCENTAGE CHANGE.....	-0.48	0.90	-2.97	4.42	0.61	0.75	0.47	0.57	0.55	-2.22
LUMBER AND WOOD.....	38.0	39.0	37.6	39.8	39.7	39.4	40.3	40.7	41.4	39.9
PERCENTAGE CHANGE.....	-0.54	2.68	-3.54	5.98	-0.45	-0.57	2.23	0.39	1.88	-3.83
FURNITURE AND FIXTURES.....	38.4	39.3	38.2	39.8	39.1	39.2	39.2	40.1	39.5	38.3
PERCENTAGE CHANGE.....	0.35	2.41	-2.71	4.22	-1.81	0.27	-0.07	2.39	-1.69	-3.06
STONE, CLAY AND GLASS.....	41.5	41.8	40.8	42.5	44.5	46.0	45.5	45.8	45.1	43.9
PERCENTAGE CHANGE.....	0.27	0.72	-2.48	4.34	4.54	3.50	-1.17	0.31	-1.63	-2.74
PRIMARY METALS.....	40.5	40.4	39.7	40.8	41.5	41.4	42.9	43.0	43.5	42.5
PERCENTAGE CHANGE.....	-3.39	-0.20	-1.93	2.89	1.72	-0.16	3.59	0.20	1.08	-2.18
FABRICATED METALS.....	40.8	40.8	40.0	41.6	41.5	41.9	41.5	41.6	41.9	41.2
PERCENTAGE CHANGE.....	0.18	0.11	-2.10	4.02	-0.23	0.98	-0.88	0.28	0.53	-1.55
MACHINERY.....	40.2	40.5	38.7	40.3	40.6	41.3	42.3	42.6	42.2	41.5
PERCENTAGE CHANGE.....	-0.72	0.84	-4.39	3.93	0.85	1.76	2.36	0.59	-0.85	-1.70
INSTRUMENTS.....	39.4	38.9	39.2	40.1	41.5	42.2	40.5	40.4	42.0	41.5
PERCENTAGE CHANGE.....	-0.53	-1.30	0.79	2.22	3.58	1.56	-3.80	-0.38	3.89	-1.05

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 15: TENNESSEE AVERAGE WEEKLY HOURS
SELECTED NONDURABLE GOODS MANUFACTURING PRODUCTION WORKERS

	H I S T O R I C A L - D A T A									
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
TOTAL NONDURABLE GOODS.....	39.5	39.6	38.2	40.1	40.6	40.5	40.8	41.2	41.0	40.4
PERCENTAGE CHANGE.....	0.45	0.25	-3.49	5.14	1.13	-0.23	0.60	1.15	-0.46	-1.49
FOOD.....	40.4	40.3	39.2	39.6	39.6	40.1	40.7	40.9	41.0	40.7
PERCENTAGE CHANGE.....	-0.75	-0.13	-2.70	1.05	-0.12	1.41	1.31	0.61	0.08	-0.69
TEXTILES.....	40.4	39.9	38.4	41.1	40.7	39.9	41.4	42.2	40.7	41.6
PERCENTAGE CHANGE.....	2.27	-1.09	-3.85	7.00	-0.99	-2.02	3.76	1.91	-3.45	2.29
APPAREL.....	37.1	36.7	35.4	37.5	37.7	37.3	37.5	38.3	38.1	37.6
PERCENTAGE CHANGE.....	1.13	-0.97	-3.64	5.91	0.58	-1.15	0.69	2.06	-0.51	-1.38
PAPER.....	41.9	42.7	42.2	44.5	44.5	43.5	44.0	44.8	45.6	45.9
PERCENTAGE CHANGE.....	0.79	1.91	-1.31	5.63	0.04	-2.34	1.15	1.74	1.91	0.60
CHEMICALS.....	40.9	41.5	40.4	41.2	41.7	41.2	40.9	41.8	42.4	41.9
PERCENTAGE CHANGE.....	-0.08	1.29	-2.56	1.90	1.21	-1.22	-0.52	2.10	1.35	-0.99
RUBBER.....	40.8	40.9	39.8	44.0	44.0	44.1	43.7	44.1	43.5	41.9
PERCENTAGE CHANGE.....	-0.41	0.27	-2.70	10.55	-0.03	0.13	-0.91	1.07	-1.51	-3.68
LEATHER.....	39.3	39.1	36.2	38.4	39.1	41.2	39.0	40.9	40.0	39.4
PERCENTAGE CHANGE.....	1.01	-0.69	-7.42	6.27	1.84	5.36	-5.37	4.90	-2.25	-1.47

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TENNESSEE ECONOMETRIC MOD'L DECEMBER 1990 UPDATE
 TABLE 16: TENNESSEE AVERAGE WEEKLY EARNINGS
 SELECTED DURABLE GOODS MANUFACTURING PRODUCTION WORKERS
 1982 DOLLARS

	HISTORICAL - DATA									
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
TOTAL DURABLE GOODS.....	290.4	296.5	290.0	306.3	315.4	321.7	329.6	328.9	320.8	305.7
PERCENTAGE CHANGE.....	-1.23	2.10	-2.21	5.62	2.96	2.00	2.45	-0.21	-2.46	-4.71
LUMBER AND WOOD.....	202.4	201.9	194.9	205.9	204.4	199.3	205.3	208.3	210.8	194.0
PERCENTAGE CHANGE.....	-1.67	-0.24	-3.44	5.61	-0.74	-2.48	3.01	1.49	1.19	-8.00
FURNITURE AND FIXTURES.....	219.3	226.5	223.4	237.1	237.9	249.2	251.5	248.7	237.8	234.0
PERCENTAGE CHANGE.....	0.56	3.29	-1.36	6.10	0.36	4.75	0.89	-1.08	-4.39	-1.60
STONE, CLAY AND GLASS.....	379.5	377.7	365.3	382.6	416.6	444.2	444.2	443.0	441.7	431.8
PERCENTAGE CHANGE.....	-0.24	-0.48	-3.28	4.73	8.89	6.62	0.01	-0.27	-0.29	-2.25
PRIMARY METALS.....	401.5	402.2	403.7	409.1	396.9	398.5	406.5	419.8	402.4	382.6
PERCENTAGE CHANGE.....	-3.88	0.16	0.39	1.34	-2.99	0.41	1.99	3.28	-4.15	-4.91
FABRICATED METALS.....	304.8	310.7	307.8	316.3	342.4	341.3	339.7	329.8	334.3	327.3
PERCENTAGE CHANGE.....	-1.14	1.91	-0.94	2.78	8.26	-0.33	-0.46	-2.93	1.36	-2.08
MACHINERY.....	280.8	289.6	273.1	288.6	294.7	304.5	319.4	322.8	314.0	297.0
PERCENTAGE CHANGE.....	-2.34	3.13	-5.69	5.68	2.13	3.31	4.91	1.05	-2.71	-5.41
INSTRUMENTS.....	246.5	242.7	253.3	273.9	291.3	305.3	299.3	302.9	316.8	312.8
PERCENTAGE CHANGE.....	1.82	-1.55	4.39	8.12	6.34	4.82	-1.98	1.20	4.59	-1.25

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 17: TENNESSEE AVERAGE WEEKLY EARNINGS
SELECTED NONDURABLE GOODS MANUFACTURING PRODUCTION WORKERS
1982 DOLLARS

	H I S T O R I C A L - D A T A									
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
TOTAL NONDURABLE GOODS.....	269.1	272.5	265.4	278.7	284.6	286.6	288.0	281.1	278.5	273.6
PERCENTAGE CHANGE.....	-0.93	1.24	-2.57	4.99	2.12	0.72	0.49	-2.41	-0.91	-1.77
FOOD.....	290.2	291.1	290.6	290.5	290.8	292.3	295.0	287.4	279.4	270.1
PERCENTAGE CHANGE.....	-1.90	0.31	-0.17	-0.06	0.10	0.55	0.91	-2.57	-2.80	-3.33
TEXTILES.....	227.2	223.0	214.5	231.3	228.3	225.8	237.2	239.2	232.0	239.8
PERCENTAGE CHANGE.....	1.61	-1.86	-3.79	7.79	-1.27	-1.09	5.06	0.81	-3.01	3.38
APPAREL.....	185.0	179.9	170.4	177.2	174.7	172.5	173.4	174.6	171.9	167.7
PERCENTAGE CHANGE.....	-1.94	-2.73	-5.28	3.99	-1.40	-1.28	0.52	0.71	-1.56	-2.43
PAPER.....	358.5	377.8	377.0	413.8	414.2	396.8	408.7	405.0	410.1	411.2
PERCENTAGE CHANGE.....	1.37	5.40	-0.23	9.78	0.09	-4.20	3.00	-0.90	1.26	0.26
CHEMICALS.....	380.6	381.1	376.3	387.2	372.5	387.8	387.2	384.8	389.9	382.5
PERCENTAGE CHANGE.....	-0.33	0.12	-1.25	2.90	-3.80	4.11	-0.15	-0.63	1.32	-1.89
RUBBER.....	311.2	310.6	316.3	350.4	368.4	367.0	363.6	355.9	356.1	345.6
PERCENTAGE CHANGE.....	-1.60	-0.19	1.84	10.78	5.13	-0.39	-0.92	-2.10	0.05	-2.95
LEATHER.....	214.4	212.3	193.1	201.9	210.6	214.8	203.3	211.3	196.7	194.8
PERCENTAGE CHANGE.....	-1.47	-0.99	-9.01	4.55	4.30	2.01	-5.37	3.93	-6.33	-0.94

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 18: TENNESSEE AVERAGE WEEKLY EARNINGS
SELECTED DURABLE GOODS MANUFACTURING PRODUCTION WORKERS
CURRENT DOLLARS

	H I S T O R I C A L - D A T A									
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
TOTAL DURABLE GOODS.....	251.5	280.5	290.0	318.8	340.7	359.1	376.9	393.3	398.5	396.9
PERCENTAGE CHANGE.....	9.45	11.53	3.37	9.95	6.85	5.40	4.95	4.37	1.31	-0.39
LUMBER AND WOOD.....	175.3	191.0	194.9	214.3	220.8	222.4	234.7	249.2	261.9	251.9
PERCENTAGE CHANGE.....	8.96	8.98	2.07	9.94	3.01	0.77	5.53	6.15	5.10	-3.83
FURNITURE AND FIXTURES.....	189.9	214.3	223.4	246.8	257.0	278.2	287.5	297.5	295.4	303.9
PERCENTAGE CHANGE.....	11.43	12.83	4.27	10.45	4.15	8.24	3.35	3.46	-0.70	2.85
STONE, CLAY AND GLASS.....	328.6	357.3	365.3	398.3	450.0	495.8	507.9	529.8	548.7	560.7
PERCENTAGE CHANGE.....	10.55	8.72	2.25	9.02	12.99	10.17	2.45	4.30	3.57	2.18
PRIMARY METALS.....	347.7	380.4	403.7	425.9	428.8	444.9	464.8	502.1	499.9	496.9
PERCENTAGE CHANGE.....	6.52	9.41	6.13	5.49	0.67	3.76	4.48	8.02	-0.44	-0.60
FABRICATED METALS.....	264.0	293.9	307.8	329.3	369.9	381.0	388.5	394.4	415.3	425.0
PERCENTAGE CHANGE.....	9.54	11.33	4.72	6.99	12.34	2.99	1.97	1.53	5.28	2.35
MACHINERY.....	243.1	273.9	273.1	300.4	318.4	339.9	365.3	386.0	390.1	385.7
PERCENTAGE CHANGE.....	8.22	12.66	-0.30	10.01	5.98	6.75	7.47	5.68	1.05	-1.13
INSTRUMENTS.....	213.5	229.6	253.3	285.1	314.7	340.8	342.2	362.2	393.5	406.2
PERCENTAGE CHANGE.....	12.83	7.55	10.35	12.56	10.35	8.31	0.41	5.85	8.64	3.22

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
 TABLE 19: TENNESSEE AVERAGE WEEKLY EARNINGS
 SELECTED NONDURABLE GOODS MANUFACTURING PRODUCTION WORKERS
 CURRENT DOLLARS

	HISTORICAL - DATA									
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
TOTAL NONDURABLE GOODS.....	233.0	257.7	265.4	290.1	307.4	320.0	329.4	336.2	346.0	355.3
PERCENTAGE CHANGE.....	9.78	10.59	2.99	9.29	5.97	4.08	2.94	2.07	2.92	2.68
FOOD.....	251.3	275.4	290.6	302.4	314.1	326.3	337.3	343.8	347.1	350.7
PERCENTAGE CHANGE.....	8.70	9.58	5.53	4.04	3.88	3.90	3.37	1.91	0.96	1.05
TEXTILES.....	196.8	211.0	214.5	240.7	246.6	252.1	271.3	286.0	288.2	311.4
PERCENTAGE CHANGE.....	12.60	7.21	1.70	12.21	2.45	2.20	7.63	5.44	0.74	8.06
APPAREL.....	160.2	170.2	170.4	184.5	188.8	192.6	198.3	208.9	213.6	217.8
PERCENTAGE CHANGE.....	8.66	6.26	0.12	8.25	2.31	2.01	2.97	5.34	2.25	1.99
PAPER.....	310.4	357.4	377.0	430.8	447.5	442.9	467.4	484.4	509.5	533.9
PERCENTAGE CHANGE.....	12.33	15.14	5.46	14.28	3.87	-1.01	5.52	3.65	5.17	4.80
CHEMICALS.....	329.6	360.5	376.3	403.1	402.4	432.9	442.8	460.2	484.3	496.7
PERCENTAGE CHANGE.....	10.44	9.36	4.38	7.12	-0.17	7.58	2.29	3.94	5.24	2.55
RUBBER.....	269.5	293.8	316.3	364.8	397.9	409.6	415.7	425.7	442.4	448.7
PERCENTAGE CHANGE.....	9.04	9.03	7.65	15.33	9.10	2.93	1.50	2.39	3.92	1.44
LEATHER.....	185.7	200.8	193.1	210.2	227.5	239.8	232.5	252.7	244.3	253.0
PERCENTAGE CHANGE.....	9.19	8.15	-3.82	8.83	8.23	5.41	-3.06	8.70	-3.33	3.55

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
 TABLE 20: TENNESSEE AVERAGE ANNUAL WAGE AND SALARY RATE BY SECTOR
 1982 DOLLARS

	HISTORICAL - DATA									
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
TOTAL NONAGRICULTURAL.....	15081	15002	15100	15302	15378	15508	15754	15802	15774	15508
PERCENTAGE CHANGE.....	-0.93	-0.52	0.65	1.34	0.50	0.85	1.59	0.30	-0.18	-1.69
MINING.....	19782	19951	19724	19517	19425	19578	19488	19987	20856	21004
PERCENTAGE CHANGE.....	-1.21	0.85	-1.14	-1.05	-0.47	0.79	-0.46	2.56	4.35	0.71
CONSTRUCTION.....	16149	16421	16789	16311	16195	16213	16807	16790	16989	16789
PERCENTAGE CHANGE.....	-0.37	1.68	2.24	-2.85	-0.71	0.11	3.66	-0.10	1.18	-1.17
MANUFACTURING.....	16169	16127	16389	16855	16802	17077	17508	17389	17433	17205
PERCENTAGE CHANGE.....	-0.80	-0.26	1.63	2.85	-0.32	1.64	2.52	-0.67	0.25	-1.31
DURABLE GOODS.....	16303	16220	16265	16517	17677	18003	18577	18315	18271	17919
PERCENTAGE CHANGE.....	-1.42	-0.51	0.27	1.55	7.02	1.85	3.19	-1.41	-0.25	-1.92
NONDURABLE GOODS.....	16063	16050	16488	17139	15999	16199	16489	16494	16610	16495
PERCENTAGE CHANGE.....	-0.21	-0.08	2.73	3.95	-6.65	1.25	1.79	0.03	0.70	-0.69
TRADE.....	12167	11986	11930	11892	11997	11944	12127	12080	12035	11785
PERCENTAGE CHANGE.....	-1.67	-1.49	-0.47	-0.32	0.88	-0.44	1.53	-0.39	-0.38	-2.08
SERVICES.....	13437	13459	13749	14024	14436	14475	14640	14970	14869	14839
PERCENTAGE CHANGE.....	1.29	0.16	2.15	2.00	2.94	0.27	1.14	2.25	-0.68	-0.20
FIN,INS,REAL EST.....	16173	15978	16623	17282	17359	18083	18912	18985	18685	18169
PERCENTAGE CHANGE.....	-0.81	-1.20	4.04	3.97	0.45	4.17	4.59	0.38	-1.58	-2.76
TRANS,COMM,PUB UTIL.....	21599	21680	21716	22153	21797	21743	21690	21694	21413	20800
PERCENTAGE CHANGE.....	-1.40	0.38	0.16	2.02	-1.61	-0.25	-0.24	0.01	-1.29	-2.86
GOVERNMENT.....	15888	15745	15721	15905	15971	16327	16414	16644	16791	16305
PERCENTAGE CHANGE.....	-1.71	-0.90	-0.15	1.17	0.41	2.23	0.54	1.40	0.88	-2.90
FEDERAL,CIVILIAN.....	22801	23059	23360	24263	24368	24375	23728	24038	24515	22795
PERCENTAGE CHANGE.....	-4.06	1.13	1.30	3.87	0.43	0.03	-2.65	1.31	1.98	-7.02
STATE AND LOCAL.....	13681	13427	13544	13678	13832	14294	14618	14826	14901	14805
PERCENTAGE CHANGE.....	-1.03	-1.86	0.88	0.99	1.13	3.34	2.26	1.42	0.51	-0.64
AGRICULTURE.....	4427	5536	6453	6392	6713	7267	5480	6918	6810	5649
PERCENTAGE CHANGE.....	-11.95	25.04	16.58	-0.95	5.02	8.25	-24.59	26.25	-1.56	-17.05

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 21: TENNESSEE AVERAGE ANNUAL WAGE AND SALARY RATE BY SECTOR
CURRENT DOLLARS

	H I S T O R I C A L - D A T A									
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
TOTAL NONAGRICULTURAL.....	13060	14192	15100	15929	16612	17311	18015	18899	19595	20136
PERCENTAGE CHANGE.....	9.78	8.67	6.40	5.49	4.28	4.21	4.07	4.91	3.68	2.77
MINING.....	17131	18873	19724	20317	20984	21854	22284	23904	25908	27273
PERCENTAGE CHANGE.....	9.47	10.17	4.51	3.01	3.23	4.14	1.97	7.27	8.38	5.27
CONSTRUCTION.....	13985	15534	16789	16980	17495	18098	19219	20081	21105	21801
PERCENTAGE CHANGE.....	10.40	11.08	8.08	1.13	3.03	3.45	6.19	4.49	5.10	3.30
MANUFACTURING.....	14003	15256	16389	17546	18150	19062	20020	20798	21657	22341
PERCENTAGE CHANGE.....	9.93	8.95	7.43	7.06	3.44	5.03	5.03	3.89	4.13	3.16
DURABLE GOODS.....	14118	15345	16265	17194	19095	20096	21242	21905	22697	23268
PERCENTAGE CHANGE.....	9.24	8.69	6.00	5.71	11.06	5.24	5.70	3.12	3.61	2.52
NONDURABLE GOODS.....	13910	15183	16488	17841	17283	18082	18855	19727	20634	21418
PERCENTAGE CHANGE.....	10.58	9.15	8.60	8.21	-3.13	4.62	4.28	4.63	4.59	3.80
TRADE.....	10537	11339	11930	12379	12959	13332	13867	14448	14950	15303
PERCENTAGE CHANGE.....	8.96	7.61	5.21	3.77	4.69	2.88	4.01	4.19	3.48	2.36
SERVICES.....	11636	12732	13749	14599	15595	16158	16741	17905	18471	19269
PERCENTAGE CHANGE.....	12.25	9.41	7.99	6.18	6.82	3.61	3.61	6.95	3.16	4.32
FIN,INS,REAL EST.....	14006	15115	16623	17991	18752	20185	21626	22706	23212	23593
PERCENTAGE CHANGE.....	9.91	7.92	9.97	8.23	4.23	7.64	7.14	4.99	2.23	1.64
TRANS,COMM,PUB UTIL.....	18704	20509	21716	23062	23547	24271	24803	25946	26600	27009
PERCENTAGE CHANGE.....	9.26	9.65	5.88	6.20	2.10	3.08	2.19	4.61	2.52	1.54
GOVERNMENT.....	13759	14895	15721	16557	17252	18225	18770	19907	20859	21172
PERCENTAGE CHANGE.....	8.91	8.26	5.55	5.32	4.20	5.64	2.99	6.06	4.78	1.50
FEDERAL,CIVILIAN.....	19746	21814	23360	25258	26323	27208	27133	28750	30454	29599
PERCENTAGE CHANGE.....	6.31	10.47	7.09	8.13	4.22	3.36	-0.28	5.96	5.93	-2.81
STATE AND LOCAL.....	11848	12702	13544	14239	14942	15956	16715	17731	18511	19224
PERCENTAGE CHANGE.....	9.67	7.21	6.63	5.13	4.94	6.78	4.76	6.08	4.39	3.86
AGRICULTURE.....	3834	5237	6453	6654	7251	8111	6266	8274	8460	7335
PERCENTAGE CHANGE.....	-2.43	36.59	23.23	3.11	8.98	11.86	-22.75	32.05	2.24	-13.30

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TABLE 22: TENNESSEE CIVILIAN LABOR FORCE AND UNEMPLOYMENT RATE

	H I S T O R I C A L - D A T A									
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
CIVILIAN LABOR FORCE (THOUS).....	2080	2116	2129	2179	2219	2253	2291	2334	2338	2368
PERCENTAGE CHANGE.....	2.04	1.72	0.61	2.33	1.86	1.54	1.65	1.89	0.19	1.28
EMPLOYED PERSONS (THOUS).....	1928	1924	1877	1929	2030	2073	2106	2180	2203	2247
PERCENTAGE CHANGE.....	0.36	-0.21	-2.46	2.82	5.20	2.15	1.60	3.51	1.06	1.98
UNEMPLOYED PERSONS (THOUS).....	153	192	253	249	189	180	184	153	135	121
PERCENTAGE CHANGE.....	29.26	26.09	31.25	-1.33	-23.97	-5.00	2.24	-16.68	-12.09	-10.25
PARTICIPATION RATE (PERCENT).....	59.9	60.2	60.0	60.8	61.3	61.5	61.8	62.1	61.5	61.8
PERCENTAGE CHANGE.....	0.32	0.45	-0.38	1.43	0.82	0.34	0.51	0.39	-0.87	0.37
UNEMPLOYMENT RATE (PERCENT).....	7.3	9.1	11.9	11.4	8.5	8.0	8.0	6.6	5.8	5.1

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TABLE 23: TENNESSEE TAXABLE SALES
MILLIONS OF 1982 DOLLARS

	HISTORICAL - DATA									
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
TOTAL.....	24612	24846	24628	24103	26716	28434	29967	30347	30977	30808
PERCENTAGE CHANGE.....	-9.51	0.95	-0.88	-2.13	10.84	6.43	5.39	1.27	2.08	-0.55
AUTO DEALERS.....	2034	2046	2033	2327	2725	3079	3521	3619	3655	3453
PERCENTAGE CHANGE.....	-34.44	0.58	-0.61	14.47	17.08	12.97	14.37	2.79	0.98	-5.51
PURCHASES FROM MANUFACTURERS.....	1936	1799	1722	1824	2029	2208	2008	2020	2224	2280
PERCENTAGE CHANGE.....	3.62	-7.10	-4.29	5.92	11.24	8.82	-9.02	0.57	10.11	2.53
MISC DURABLE GOODS.....	4040	3890	3574	3782	4417	4778	5148	5160	5092	4903
PERCENTAGE CHANGE.....	-28.82	-3.71	-8.12	5.82	16.81	8.18	7.73	0.24	-1.33	-3.71
EATING AND DRINKING PLACES.....	1684	1743	1830	1735	1916	2036	2221	2301	2363	2426
PERCENTAGE CHANGE.....	-8.05	3.52	4.95	-5.15	10.41	6.26	9.07	3.62	2.69	2.69
FOOD STORES.....	4776	4869	4764	4390	4491	4587	4559	4620	4577	4494
PERCENTAGE CHANGE.....	-4.75	1.93	-2.15	-7.85	2.30	2.13	-0.61	1.34	-0.92	-1.83
LIQUOR STORES.....	255	251	240	220	213	219	245	212	202	194
PERCENTAGE CHANGE.....	-6.35	-1.64	-4.37	-8.28	-3.15	2.88	11.64	-13.56	-4.40	-4.08
HOTELS AND MOTELS.....	485	519	602	488	542	578	666	673	712	734
PERCENTAGE CHANGE.....	0.92	6.90	16.12	-18.97	10.97	6.63	15.22	1.09	5.78	3.17
OTHER RETAIL AND SERVICE.....	6003	6211	6395	6056	6776	7184	7690	7884	8102	8137
PERCENTAGE CHANGE.....	8.16	3.46	2.96	-5.30	11.89	6.02	7.04	2.52	2.77	0.43
MISC NONDURABLE GOODS.....	2291	2336	2343	2264	2571	2631	2722	2634	2711	2753
PERCENTAGE CHANGE.....	-4.31	1.95	0.29	-3.36	13.54	2.34	3.47	-3.22	2.93	1.52
TRANSPORTATION, COMMUNICATION.....	1107	1183	1126	1017	1037	1135	1188	1225	1339	1434
PERCENTAGE CHANGE.....	9.81	6.92	-4.84	-9.67	1.93	9.51	4.61	3.18	9.29	7.09
PER CAPITA TOTAL TAXABLE SALES (\$)..	5347	5356	5277	5138	5651	5965	6242	6249	6324	6236
PERCENTAGE CHANGE.....	-10.89	0.17	-1.47	-2.63	9.97	5.56	4.64	0.12	1.20	-1.39

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 24: TENNESSEE TAXABLE SALES
MILLIONS OF CURRENT DOLLARS

	H I S T O R I C A L - D A T A									
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
TOTAL.....	21314	23504	24628	25092	28860	31740	34267	36295	38481	40004
PERCENTAGE CHANGE.....	0.27	10.28	4.78	1.88	15.02	9.98	7.96	5.92	6.02	3.96
AUTO DEALERS.....	1761	1935	2033	2423	2944	3437	4026	4328	4540	4484
PERCENTAGE CHANGE.....	-27.35	9.87	5.07	19.16	21.50	16.74	17.16	7.50	4.89	-1.23
PURCHASES FROM MANUFACTURERS.....	1677	1702	1722	1898	2191	2464	2297	2416	2763	2961
PERCENTAGE CHANGE.....	14.82	1.49	1.17	10.27	15.43	12.45	-6.80	5.18	14.37	7.17
MISC DURABLE GOODS.....	3498	3680	3574	3937	4772	5334	5887	6172	6325	6366
PERCENTAGE CHANGE.....	-21.13	5.19	-2.88	10.16	21.21	11.78	10.36	4.84	2.49	0.65
EATING AND DRINKING PLACES.....	1458	1649	1830	1807	2070	2273	2539	2752	2935	3150
PERCENTAGE CHANGE.....	1.89	13.09	10.94	-1.26	14.58	9.80	11.73	8.37	6.66	7.34
FOOD STORES.....	4136	4606	4764	4570	4851	5120	5213	5525	5686	5835
PERCENTAGE CHANGE.....	5.55	11.35	3.43	-4.07	6.16	5.53	1.82	5.99	2.92	2.62
LIQUOR STORES.....	221	237	240	229	230	245	280	253	251	252
PERCENTAGE CHANGE.....	3.78	7.45	1.09	-4.52	0.51	6.31	14.36	-9.60	-0.70	0.27
HOTELS AND MOTELS.....	420	491	602	508	585	645	761	805	884	953
PERCENTAGE CHANGE.....	11.83	16.78	22.75	-15.64	15.16	10.19	18.04	5.73	9.87	7.84
OTHER RETAIL AND SERVICE.....	5199	5876	6395	6304	7320	8019	8793	9429	10065	10565
PERCENTAGE CHANGE.....	19.86	13.02	8.84	-1.42	16.11	9.56	9.65	7.23	6.75	4.97
MISC NONDURABLE GOODS.....	1984	2210	2343	2357	2777	2937	3113	3151	3368	3574
PERCENTAGE CHANGE.....	6.03	11.37	6.01	0.60	17.82	5.75	6.00	1.22	6.91	6.11
TRANSPORTATION, COMMUNICATION.....	958	1119	1126	1059	1120	1267	1358	1465	1663	1862
PERCENTAGE CHANGE.....	21.68	16.79	0.60	-5.97	5.77	13.16	7.16	7.91	13.51	11.94
PER CAPITA TOTAL TAXABLE SALES (\$)..	4630	5067	5277	5349	6104	6658	7137	7474	7857	8098
PERCENTAGE CHANGE.....	-1.25	9.42	4.15	1.36	14.12	9.08	7.20	4.72	5.11	3.07

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 25: TENNESSEE GROSS STATE PRODUCT BY SECTOR
MILLIONS OF 1982 DOLLARS

	H I S T O R I C A L - D A T A									
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
GROSS STATE PRODUCT.....	51810.0	52804.0	51967.0	54217.0	58810.0	61337.0	64124.0	67414.5	70573.3	73450.6
PERCENTAGE CHANGE.....	-1.80	1.92	-1.59	4.33	8.47	4.30	4.54	5.13	4.69	4.08
MINING.....	418.0	418.0	365.0	355.0	370.0	380.0	371.0	369.0	376.5	375.8
PERCENTAGE CHANGE.....	-0.95	0.00	-12.68	-2.74	4.23	2.70	-2.37	-0.54	2.04	-0.19
CONSTRUCTION.....	2443.0	2153.0	2111.0	2170.0	2394.0	2535.0	2711.0	2920.2	2880.3	2813.0
PERCENTAGE CHANGE.....	-11.71	-11.87	-1.95	2.79	10.32	5.89	6.94	7.72	-1.37	-2.34
MANUFACTURING.....	13355.0	14007.0	13441.0	14861.0	16867.0	17347.0	18057.0	18730.9	19851.5	21052.5
PERCENTAGE CHANGE.....	-4.91	4.88	-4.04	10.56	13.50	2.85	4.09	3.73	5.98	6.05
DURABLE GOODS.....	6125.0	6477.0	5904.0	6846.0	9213.0	9816.0	10388.0	10944.4	11765.5	12586.8
PERCENTAGE CHANGE.....	-8.14	5.75	-8.85	15.96	34.57	6.55	5.83	5.36	7.50	6.98
NONDURABLE GOODS.....	7230.0	7530.0	7537.0	8015.0	7655.0	7531.0	7670.0	7786.5	8085.9	8465.7
PERCENTAGE CHANGE.....	-1.98	4.15	0.09	6.34	-4.49	-1.62	1.85	1.52	3.84	4.70
TRADE.....	9369.0	9332.0	9371.0	9821.0	10761.0	11554.0	12329.0	13280.5	14049.6	14667.9
PERCENTAGE CHANGE.....	-4.10	-0.39	0.42	4.80	9.57	7.37	6.71	7.72	5.79	4.40
SERVICES.....	6831.0	7161.0	7182.0	7523.0	8117.0	8556.0	9048.0	9701.7	10295.7	10960.3
PERCENTAGE CHANGE.....	3.02	4.83	0.29	4.75	7.90	5.41	5.75	7.22	6.12	6.46
FINANCE, INSURANCE AND REAL ESTATE..	6519.0	6692.0	7058.0	7271.0	7543.0	7777.0	8263.0	8573.9	8827.7	9098.8
PERCENTAGE CHANGE.....	2.61	2.65	5.47	3.02	3.74	3.10	6.25	3.76	2.96	3.07
TRANS., COMM., AND PUBLIC UTIL.....	4101.0	4054.0	3864.0	4055.0	4406.0	4573.0	4803.0	5097.3	5335.2	5583.4
PERCENTAGE CHANGE.....	-0.44	-1.15	-4.69	4.94	8.66	3.79	5.03	6.13	4.67	4.65
GOVERNMENT.....	7447.0	7398.0	6893.0	6845.0	6810.0	6970.0	7040.0	7165.7	7311.5	7268.0
PERCENTAGE CHANGE.....	0.23	-0.66	-6.83	-0.70	-0.51	2.35	1.00	1.79	2.04	-0.60
FEDERAL CIVILIAN.....	2848.0	2895.0	2539.0	2496.0	2442.0	2489.0	2479.0	2515.7	2562.3	2490.2
PERCENTAGE CHANGE.....	-1.69	1.65	-12.30	-1.69	-2.16	1.92	-0.40	1.48	1.85	-2.81
FEDERAL MILITARY.....	398.0	399.0	401.0	402.0	396.0	391.0	382.0	382.5	369.1	364.7
PERCENTAGE CHANGE.....	9.64	0.25	0.50	0.25	-1.49	-1.26	-2.30	0.13	-3.50	-1.19
STATE AND LOCAL.....	4200.0	4104.0	3953.0	3946.0	3972.0	4091.0	4180.0	4267.5	4380.1	4413.1
PERCENTAGE CHANGE.....	0.74	-2.29	-3.68	-0.18	0.66	3.00	2.18	2.09	2.64	0.75
AGRICULTURE.....	1327.0	1590.0	1683.0	1316.0	1540.0	1643.0	1500.0	1575.4	1645.2	1630.9
PERCENTAGE CHANGE.....	8.59	19.82	5.85	-21.81	17.02	6.69	-8.70	5.03	4.43	-0.87
FARM.....	1187.0	1431.0	1515.0	1140.0	1353.0	1466.0	1312.0	1375.3	1435.2	1415.3
PERCENTAGE CHANGE.....	9.00	20.56	5.87	-24.75	18.68	8.35	-10.50	4.82	4.36	-1.39
AG SERVICES, FORESTRY, FISHERIES..	141.0	159.0	167.0	176.0	187.0	177.0	188.0	200.1	210.0	215.7
PERCENTAGE CHANGE.....	5.22	12.77	5.03	5.39	6.25	-5.35	6.21	6.45	4.95	2.69
PER CAPITA GROSS STATE PRODUCT (\$)..	11255.7	11382.6	11135.0	11557.7	12438.7	12867.0	13356.4	13882.7	14408.6	14868.5
PERCENTAGE CHANGE.....	-3.29	1.13	-2.18	3.80	7.62	3.44	3.80	3.94	3.79	3.19

TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 26: TENNESSEE DURABLE GOODS MANUFACTURING GROSS PRODUCT
MILLIONS OF 1982 DOLLARS

	H I S T O R I C A L - D A T A									
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
TOTAL DURABLE GOODS.....	6125.0	6477.0	5904.0	6846.0	9213.0	9816.0	10388.0	10944.4	11765.5	12586.8
PERCENTAGE CHANGE.....	-8.14	5.75	-8.85	15.96	34.57	6.55	5.83	5.36	7.50	6.98
LUMBER AND WOOD PRODUCTS.....	383.0	360.0	301.0	350.0	402.0	397.0	419.0	470.0	466.9	455.1
PERCENTAGE CHANGE.....	2.13	-6.01	-16.39	16.28	14.86	-1.24	5.54	12.17	-0.65	-2.54
FURNITURE AND FIXTURES.....	394.0	400.0	386.0	441.0	512.0	520.0	493.0	506.0	536.2	578.2
PERCENTAGE CHANGE.....	-11.46	1.52	-3.50	14.25	16.10	1.56	-5.19	2.64	5.96	7.83
STONE,CLAY AND GLASS.....	443.0	419.0	380.0	445.0	552.0	578.0	588.0	605.9	586.8	582.6
PERCENTAGE CHANGE.....	-14.64	-5.42	-9.31	17.11	24.04	4.71	1.73	3.04	-3.15	-0.70
PRIMARY METALS.....	545.0	490.0	427.0	395.0	483.0	485.0	545.0	557.1	548.3	540.4
PERCENTAGE CHANGE.....	-10.66	-10.09	-12.86	-7.49	22.28	0.41	12.37	2.21	-1.58	-1.44
FABRICATED METAL PRODUCTS.....	910.0	899.0	795.0	869.0	1384.0	1413.0	1434.0	1490.0	1611.1	1644.5
PERCENTAGE CHANGE.....	-3.81	-1.21	-11.57	9.31	59.26	2.10	1.49	3.90	8.13	2.07
NONELECTRICAL MACHINERY.....	1460.0	1623.0	1408.0	1665.0	2387.0	2881.0	3280.0	3492.1	3964.0	4631.6
PERCENTAGE CHANGE.....	-1.88	11.16	-13.25	18.25	43.36	20.70	13.85	6.47	13.51	16.84
ELECTRICAL MACHINERY.....	1074.0	1195.0	1041.0	1137.0	1323.0	1367.0	1380.0	1479.9	1567.4	1613.1
PERCENTAGE CHANGE.....	0.94	11.27	-12.89	9.22	16.36	3.33	0.95	7.24	5.91	2.91
TRANSPORTATION EQUIPMENT.....	526.0	619.0	705.0	1078.0	1542.0	1479.0	1526.0	1588.5	1653.7	1700.8
PERCENTAGE CHANGE.....	-32.39	17.68	13.89	52.91	43.04	-4.09	3.18	4.10	4.11	2.84
INSTRUMENTS.....	158.0	185.0	208.0	227.0	272.0	324.0	346.0	351.4	377.8	409.9
PERCENTAGE CHANGE.....	-3.66	17.09	12.43	9.13	19.82	19.12	6.79	1.56	7.51	8.50
MISCELLANEOUS DURABLE GOODS.....	233.0	287.0	252.0	238.0	355.0	372.0	378.0	403.5	453.4	430.8
PERCENTAGE CHANGE.....	-16.19	23.18	-12.20	-5.56	49.16	4.79	1.61	6.75	12.35	-4.98

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
TABLE 27: TENNESSEE NONDURABLE GOODS MANUFACTURING GROSS PRODUCT
MILLIONS OF 1982 DOLLARS

	HISTORICAL - DATA									
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
TOTAL NONDURABLE GOODS.....	7230.0	7530.0	7537.0	8015.0	7655.0	7531.0	7670.0	7786.5	8085.9	8465.7
PERCENTAGE CHANGE.....	-1.98	4.15	0.09	6.34	-4.49	-1.62	1.85	1.52	3.84	4.70
FOOD.....	1259.0	1317.0	1457.0	1456.0	1468.0	1565.0	1561.0	1620.5	1699.9	1758.8
PERCENTAGE CHANGE.....	4.83	4.61	10.63	-0.07	0.82	6.61	-0.26	3.81	4.90	3.46
TOBACCO.....	114.0	135.0	156.0	128.0	140.0	124.0	105.0	101.2	93.1	97.4
PERCENTAGE CHANGE.....	8.57	18.42	15.56	-17.95	9.38	-11.43	-15.32	-3.63	-8.03	4.69
TEXTILES.....	446.0	453.0	438.0	503.0	517.0	454.0	483.0	517.2	514.8	519.3
PERCENTAGE CHANGE.....	7.21	1.57	-3.31	14.84	2.78	-12.19	6.39	7.08	-0.46	0.86
APPAREL.....	951.0	973.0	875.0	966.0	963.0	919.0	933.0	957.5	984.5	1008.8
PERCENTAGE CHANGE.....	4.51	2.31	-10.07	10.40	-0.31	-4.57	1.52	2.63	2.82	2.46
PAPER.....	693.0	690.0	771.0	826.0	880.0	913.0	944.0	987.1	1050.8	1168.0
PERCENTAGE CHANGE.....	-9.77	-0.43	11.74	7.13	6.54	3.75	3.40	4.56	6.46	11.16
PRINTING AND PUBLISHING.....	545.0	578.0	585.0	640.0	639.0	656.0	677.0	687.4	716.0	745.9
PERCENTAGE CHANGE.....	-1.27	6.06	1.21	9.40	-0.16	2.66	3.20	1.54	4.15	4.17
CHEMICALS.....	2009.0	2052.0	2136.0	2286.0	1699.0	1574.0	1612.0	1581.1	1612.2	1641.3
PERCENTAGE CHANGE.....	-7.21	2.14	4.09	7.02	-25.68	-7.36	2.41	-1.92	1.97	1.80
PETROLEUM REFINING.....	76.0	63.0	42.0	75.0	77.0	83.0	97.0	98.9	101.0	102.2
PERCENTAGE CHANGE.....	-9.52	-17.11	-33.33	78.57	2.67	7.79	16.87	1.98	2.09	1.25
RUBBER AND PLASTICS.....	680.0	782.0	707.0	814.0	953.0	983.0	1045.0	1053.1	1125.7	1224.4
PERCENTAGE CHANGE.....	-10.99	15.00	-9.59	15.13	17.08	3.15	6.31	0.78	6.89	8.77
LEATHER.....	457.0	487.0	369.0	320.0	319.0	261.0	211.0	182.5	187.9	199.7
PERCENTAGE CHANGE.....	10.92	6.56	-24.23	-13.28	-0.31	-18.18	-19.16	-13.50	2.97	6.25

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TENNESSEE ECONOMETRIC MODEL DECEMBER 1990 UPDATE
 TABLE 28: TENNESSEE GROSS STATE PRODUCT BY SECTOR
 MILLIONS OF CURRENT DOLLARS

	HISTORICAL - DATA									
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
GROSS STATE PRODUCT.....	45018	49881	51967	56319	63207	67560	72328	78512	85097	91657
PERCENTAGE CHANGE.....	6.59	10.80	4.18	8.37	12.23	6.89	7.06	8.55	8.39	7.71
MINING.....	331	430	365	335	332	334	263	349	359	363
PERCENTAGE CHANGE.....	40.16	29.96	-15.06	-8.28	-0.75	0.42	-21.16	32.60	2.94	1.10
CONSTRUCTION.....	2081	2022	2111	2203	2578	2859	3196	3619	3726	3783
PERCENTAGE CHANGE.....	-0.63	-2.87	4.42	4.34	17.06	10.90	11.78	13.22	2.96	1.54
MANUFACTURING.....	11904	13466	13439	14918	16953	17222	18128	19137	20606	22168
PERCENTAGE CHANGE.....	3.14	13.12	-0.20	11.01	13.64	1.59	5.26	5.56	7.68	7.58
DURABLE GOODS.....	5430	6171	5903	6743	8841	9036	9477	10111	10921	11639
PERCENTAGE CHANGE.....	-1.10	13.66	-4.35	14.23	31.12	2.21	4.87	6.69	8.01	6.57
NONDURABLE GOODS.....	6474	7295	7536	8175	8111	8186	8652	9026	9685	10530
PERCENTAGE CHANGE.....	6.98	12.68	3.31	8.48	-0.78	0.92	5.69	4.33	7.30	8.72
TRADE.....	8216	8887	9371	10078	11413	12462	13394	14869	16343	17769
PERCENTAGE CHANGE.....	3.48	8.17	5.45	7.54	13.25	9.19	7.48	11.01	9.91	8.73
SERVICES.....	5772	6545	7182	7967	9164	10147	11192	12309	13548	14985
PERCENTAGE CHANGE.....	13.79	13.39	9.73	10.93	15.03	10.73	10.30	9.98	10.07	10.60
FINANCE, INSURANCE AND REAL ESTATE..	5626	6344	7058	7976	8531	9488	10891	11175	11974	12848
PERCENTAGE CHANGE.....	11.95	12.76	11.25	13.01	6.96	11.22	14.78	2.61	7.15	7.30
TRANS., COMM., AND PUBLIC UTIL.....	3365	3689	3864	4313	4874	5248	5699	6067	6502	6985
PERCENTAGE CHANGE.....	10.91	9.62	4.74	11.62	13.00	7.68	8.59	6.47	7.17	7.42
GOVERNMENT.....	6256	6817	6893	7244	7677	8324	8771	9444	10254	10879
PERCENTAGE CHANGE.....	8.46	8.97	1.11	5.09	5.98	8.43	5.37	7.68	8.57	6.09
FEDERAL CIVILIAN.....	2361	2684	2539	2608	2713	2905	2928	3142	3411	3559
PERCENTAGE CHANGE.....	5.98	13.67	-5.39	2.73	4.02	7.06	0.79	7.31	8.58	4.32
FEDERAL MILITARY.....	330	370	401	420	440	456	451	468	472	488
PERCENTAGE CHANGE.....	18.20	12.10	8.42	4.76	4.73	3.71	-1.13	3.83	0.84	3.32
STATE AND LOCAL.....	3566	3763	3953	4214	4524	4917	5284	5834	6370	6832
PERCENTAGE CHANGE.....	9.38	5.54	5.04	6.61	7.35	8.69	7.45	10.42	9.19	7.25
AGRICULTURE.....	1349	1665	1683	1304	1742	1582	1382	1544	1786	1878
PERCENTAGE CHANGE.....	0.60	23.42	1.08	-22.52	33.59	-9.18	-12.64	11.72	15.65	5.18
FARM.....	1212	1507	1515	1102	1534	1391	1182	1330	1558	1643
PERCENTAGE CHANGE.....	0.08	24.33	0.54	-27.24	39.18	-9.32	-15.03	12.51	17.17	5.41
AG SERVICES, FORESTRY, FISHERIES..	138	158	167	202	208	204	241	214	227	235
PERCENTAGE CHANGE.....	5.44	14.49	5.67	20.67	3.37	-1.95	17.81	-11.11	6.17	3.66
PER CAPITA GROSS STATE PRODUCT (\$)..	9780	10753	11135	12006	13369	14172	15065	16168	17374	18554
PERCENTAGE CHANGE.....	4.97	9.94	3.56	7.82	11.35	6.01	6.30	7.32	7.46	6.79

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TABLE 29: TENNESSEE DURABLE GOODS MANUFACTURING GROSS PRODUCT
MILLIONS OF CURRENT DOLLARS

	H I S T O R I C A L - D A T A									
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
TOTAL DURABLE GOODS.....	5430	6171	5903	6743	8841	9036	9477	10111	10921	11639
PERCENTAGE CHANGE.....	-1.10	13.66	-4.35	14.23	31.12	2.21	4.87	6.69	8.01	6.57
LUMBER AND WOOD PRODUCTS.....	350	327	301	397	450	439	481	555	566	566
PERCENTAGE CHANGE.....	-6.00	-6.62	-7.82	31.86	13.44	-2.48	9.55	15.33	2.05	-0.04
FURNITURE AND FIXTURES.....	332	366	386	452	538	582	580	595	631	680
PERCENTAGE CHANGE.....	-4.43	10.31	5.35	17.10	19.04	8.23	-0.37	2.59	5.93	7.77
STONE, CLAY AND GLASS.....	400	403	380	456	586	633	687	728	743	774
PERCENTAGE CHANGE.....	-8.23	0.98	-5.82	20.03	28.52	8.06	8.51	5.92	2.04	4.18
PRIMARY METALS.....	520	507	427	399	505	494	536	565	567	576
PERCENTAGE CHANGE.....	-6.13	-2.65	-15.72	-6.48	26.51	-2.18	8.51	5.31	0.37	1.57
FABRICATED METAL PRODUCTS.....	798	855	795	846	1365	1438	1493	1649	1885	2015
PERCENTAGE CHANGE.....	3.51	7.13	-7.01	6.36	61.39	5.41	3.78	10.47	14.33	6.89
NONELECTRICAL MACHINERY.....	1327	1579	1408	1444	1776	1772	1801	1811	1923	2160
PERCENTAGE CHANGE.....	5.80	18.99	-10.84	2.53	23.02	-0.23	1.63	0.58	6.20	12.32
ELECTRICAL MACHINERY.....	942	1128	1041	1162	1367	1409	1437	1558	1701	1812
PERCENTAGE CHANGE.....	8.09	19.77	-7.72	11.62	17.61	3.13	1.93	8.45	9.16	6.52
TRANSPORTATION EQUIPMENT.....	402	554	705	1108	1630	1589	1728	1861	2009	2121
PERCENTAGE CHANGE.....	-27.95	37.86	27.27	57.12	47.12	-2.52	8.76	7.74	7.94	5.57
INSTRUMENTS.....	137	174	208	234	289	338	366	383	427	480
PERCENTAGE CHANGE.....	14.35	26.51	19.61	12.41	23.55	17.10	8.32	4.53	11.47	12.52
MISCELLANEOUS DURABLE GOODS.....	221	278	252	246	336	341	368	405	469	455
PERCENTAGE CHANGE.....	7.60	25.64	-9.39	-2.34	36.47	1.47	7.94	10.17	15.75	-3.01

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TABLE 30: TENNESSEE NONDURABLE GOODS MANUFACTURING GROSS PRODUCT
MILLIONS OF CURRENT DOLLARS

	H I S T O R I C A L - D A T A									
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
TOTAL NONDURABLE GOODS.....	6474	7295	7536	8175	8111	8186	8652	9026	9685	10530
PERCENTAGE CHANGE.....	6.98	12.68	3.31	8.48	-0.78	0.92	5.69	4.33	7.30	8.72
FOOD.....	1160	1310	1457	1519	1609	1732	1814	1866	1989	2121
PERCENTAGE CHANGE.....	10.72	13.01	11.19	4.23	5.95	7.68	4.70	2.90	6.59	6.59
TOBACCO.....	87	108	156	172	206	213	192	195	192	216
PERCENTAGE CHANGE.....	19.18	24.14	44.44	10.26	19.77	3.40	-9.86	1.77	-1.97	12.96
TEXTILES.....	415	456	438	512	538	479	529	571	572	580
PERCENTAGE CHANGE.....	8.49	9.86	-3.98	16.91	5.11	-11.09	10.63	7.82	0.18	1.40
APPAREL.....	810	897	875	989	980	951	993	1066	1166	1246
PERCENTAGE CHANGE.....	8.85	10.72	-2.46	13.05	-0.89	-2.98	4.37	7.37	9.38	6.85
PAPER.....	651	704	771	798	929	1000	1060	1146	1265	1458
PERCENTAGE CHANGE.....	3.20	8.16	9.55	3.49	16.46	7.58	6.04	8.10	10.41	15.26
PRINTING AND PUBLISHING.....	466	531	585	680	737	802	882	933	1023	1129
PERCENTAGE CHANGE.....	10.06	13.99	10.13	16.29	8.30	8.80	10.04	5.72	9.67	10.36
CHEMICALS.....	1824	2046	2136	2284	1755	1700	1762	1750	1848	1961
PERCENTAGE CHANGE.....	5.72	12.15	4.41	6.92	-23.15	-3.14	3.65	-0.66	5.59	6.12
PETROLEUM REFINING.....	48	49	42	88	104	117	142	150	158	167
PERCENTAGE CHANGE.....	9.09	2.08	-14.29	109.52	18.18	12.50	21.37	5.45	5.31	5.83
RUBBER AND PLASTICS.....	606	723	707	822	959	972	1094	1167	1281	1445
PERCENTAGE CHANGE.....	-8.95	19.39	-2.26	16.29	16.61	1.40	12.54	6.66	9.79	12.75
LEATHER.....	416	472	369	323	304	262	208	182	192	207
PERCENTAGE CHANGE.....	27.91	13.35	-21.81	-12.50	-5.75	-14.07	-20.37	-12.43	5.17	8.12

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TABLE 31: TENNESSEE ENERGY CONSUMPTION - SELECTED CATEGORIES

	H I S T O R I C A L - D A T A									
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
ELECTRICITY (MIL. KWH).....	62370	60340	56016	58316	61079	61658	64580	65878	68955	69734
PERCENTAGE CHANGE.....	1.52	-3.25	-7.17	4.11	4.74	0.95	4.74	2.01	4.67	1.13
RESIDENTIAL.....	25739	24154	23794	24277	25189	24959	26452	27202	28324	27638
PERCENTAGE CHANGE.....	5.20	-6.16	-1.49	2.03	3.76	-0.91	5.98	2.84	4.12	-2.42
COMMERCIAL.....	4372	4384	4424	4668	4987	5010	5427	6068	5649	5735
PERCENTAGE CHANGE.....	6.05	0.27	0.91	5.52	6.83	0.46	8.33	11.81	-6.91	1.52
INDUSTRIAL.....	21188	21202	20858	21453	22837	23472	24352	25137	26803	27780
PERCENTAGE CHANGE.....	-0.88	0.07	-1.62	2.85	6.45	2.78	3.75	3.22	6.63	3.65
DIRECTLY SERVED COMM AND IND.....	11071	10600	6940	7918	8066	8217	8349	7471	8179	8581
PERCENTAGE CHANGE.....	-3.46	-4.25	-34.53	14.09	1.87	1.87	1.61	-10.52	9.48	4.92
GASOLINE (MIL. GAL.).....	2377	2339	2315	2293	2458	2496	2594	2693	2509	2584
PERCENTAGE CHANGE.....	-3.85	-1.61	-1.01	-0.97	7.20	1.53	3.93	3.83	-6.82	2.97
MOTOR VEHICLE REGISTRATIONS.....	3271	3533	3381	3537	3569	3754	3932	4027	4225	4310
PERCENTAGE CHANGE.....	9.21	8.01	-4.30	4.61	0.90	5.19	4.75	2.40	4.94	2.00

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